

U.S. Department of Education

Federal Student Aid

Integration Leadership Support Contractor

To-Be Enterprise Business Function Narratives

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Final



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FEDERAL STUDENT AID

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## Revision Log

This log should be updated after each new version as a means of tracking the changes that have been made to the document. Relevant information includes: date of revision, name of person making the revision, and a short description of the changes.

Revision Date	Document Version Number	Revised By	Description of changes
6/23/2005	Draft 1.0	Jonathon Way	First draft of To-Be Narratives created.
4/20/2006	Draft 2.0	Glenn Hutchinson	IPM, SAHM, EA&R and Shared Services BCAs updated. PG&I and EAM BCAs documented and added to narratives.

# Section 1: Introduction

The postsecondary student financial aid community is very large and complex, comprising approximately 3,600 lenders, 6,100 schools, 23 million borrowers, and over 13 million applicants each year, as well as state and Federal government organizations, servicers, secondary markets, professional organizations, and commercial software development companies specializing in software to support postsecondary institutions. The size and technological sophistication of these organizations is extremely varied, from “mom and pop” entities to huge commercial enterprises, and from predominantly manual operations through use of extensive state-of-the-art computer systems. Given the complexity of the student financial aid community environment, it is not surprising that the Office of Federal Student Aid within the Department of Education (ED) has a complex technology environment.

Because of its complexity, Federal Student Aid has initiated a series of integration initiatives, beginning with the Data Strategy initiative started by Federal Student Aid in 2003. The objective of the Data Strategy initiative was to develop an overall approach towards data to ensure that accurate and consistent data is available to and exchanged among Federal Student Aid and Federal Student Aid’s customers, partners, and compliance and oversight organizations. Through Data Strategy, a Target State Vision (TSV) for Federal Student Aid was developed. The remaining subsections in this section introduce the TSV, the Business Capability Areas (BCAs), the Target State Function Matrix, describe this document’s purpose and scope, and define the structure of the document.

## 1.1 Target State Vision

The TSV represents a business-oriented view of Federal Student Aid’s vision for the future. The TSV defines the major business activities carried out by Federal Student Aid, links business activities to the phases of the financial aid life cycle, and identifies key technology enablers that will support Federal Student Aid’s business. The TSV High Level Business View of the Financial Aid Lifecycle diagram (usually referred to as the TSV diagram) provides a holistic, conceptual view of Federal Student Aid’s target state. This diagram (presented in Figure 1-1 below) is used as a reference point to put Federal Student Aid’s integration initiatives in context.

The colored bubbles across the top of the TSV diagram represent the stages of the student financial aid life cycle and the white boxes with the blue background at the top and bottom of the diagram depict the Applicant/Borrower Process and Trading Partner Process respectively. In the center of the TSV diagram, Federal Student Aid’s BCAs, and Common Data Architecture (CDA) are shown. The legend in the lower left corner of the diagram indicates what the different arrow and box types represent.

# Federal Student Aid Target State Vision

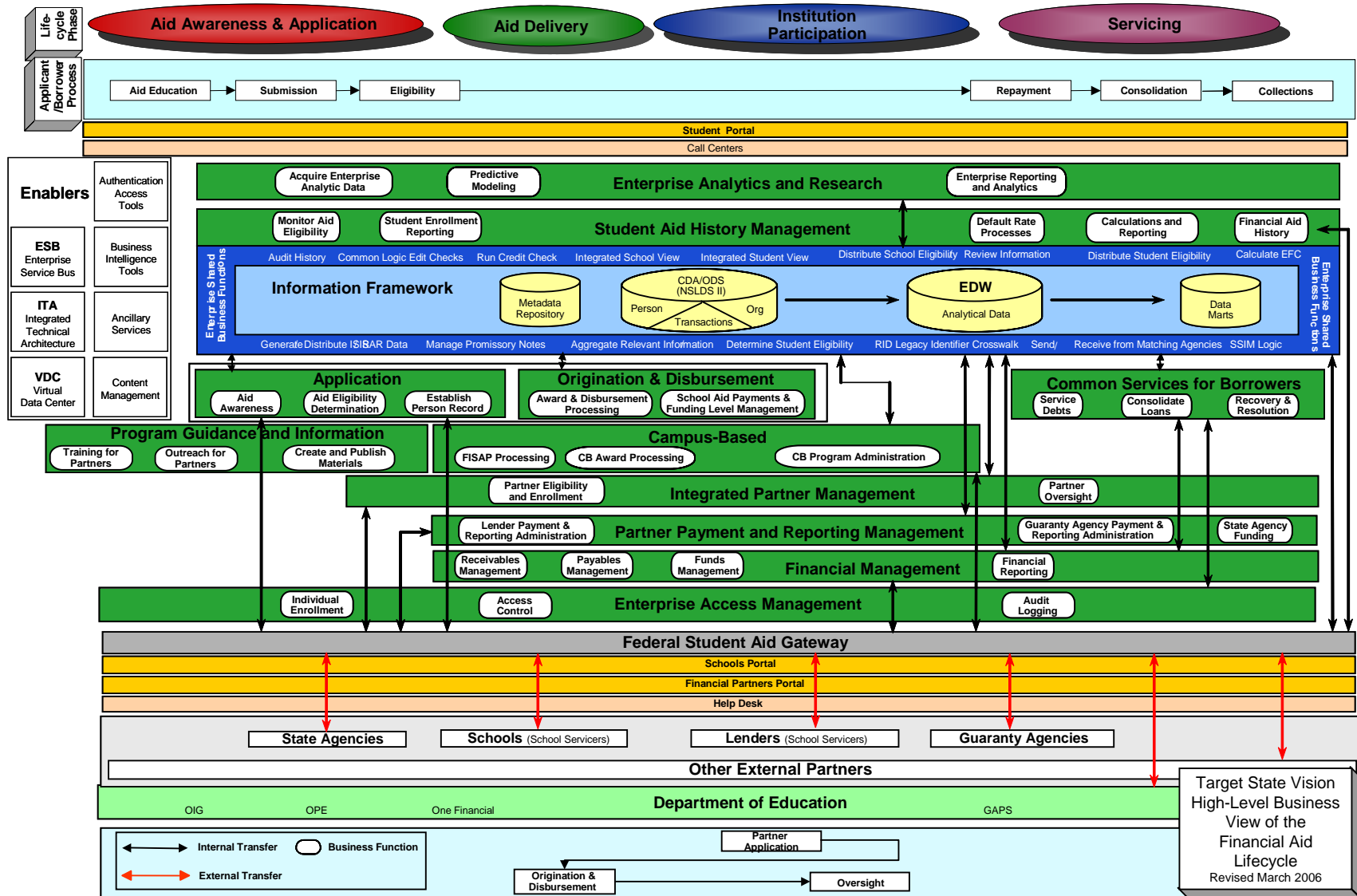


Figure 1-1: Federal Student Aid TSV Diagram

## 1.2 Business Capability Areas

BCAs form the core of Federal Student Aid's TSV. A BCA represents a major business function carried out by Federal Student Aid in support of the financial aid life cycle. Each BCA comprises multiple groupings of related Enterprise Business Functions (EBFs), which are the specific business activities undertaken by Federal Student Aid.

## 1.3 Target State Function Matrix

The Target State Function Matrix provides the groupings and EBFs that comprise each BCA in a consolidated list. The matrix is a dynamic document that is continually updated when changes are approved by the Business and Technology Integration Group (BTIG). The matrix provided in the following sections reflects changes that have been made from a BTIG meeting held in February.

## 1.4 Document Purpose and Scope

This document defines the target state business functions for Federal Student Aid. Each BCA is defined, and then the EBF Groups and component EBFs that make up each BCA are defined. The narrative definitions provided in this document augment and support other Federal Student Aid TSV documentation and provide Federal Student Aid with a common context and understanding for discussions relating to Federal Student Aid's future business activities.

## 1.5 Document Structure

This document is designed to explain the EBFs associated with Federal Student Aid's nine BCAs as well as the functions that are shared between BCAs. Each section is dedicated to a BCA, with subsections providing narratives on the function groupings and processes that are encompassed within the BCA. The remainder of this document includes the following sections:

- **Section 2 – Application (APP):** This section introduces the APP BCA as well as narrative descriptions of the EBFs that are encompassed within APP.
- **Section 3 – Origination and Disbursement (O&D):** This section introduces the O&D BCA as well as narrative descriptions of the EBFs that are encompassed within O&D.
- **Section 4 – Campus Based (CB):** This section introduces the CB BCA as well as narrative descriptions of the EBFs that are encompassed within CB.
- **Section 5 – Integrated Partner Management (IPM):** This section introduces the IPM BCA as well as narrative descriptions of the EBFs that are encompassed within IPM.
- **Section 6 – Partner Payment Reporting Management (PPRM):** This section introduces the PPRM BCA as well as narrative descriptions of the EBFs that are encompassed within PPRM.
- **Section 7 – Financial Management (FM):** This section introduces the FM BCA as well as narrative descriptions of the EBFs that are encompassed within FM.
- **Section 8 – Common Services for Borrowers (CSB):** This section introduces the CSB BCA as well as narrative descriptions of the EBFs that are encompassed within CSB.
- **Section 9 – Student Aid History Management (SAHM):** This section introduces the SAHM BCA as well as narrative descriptions of the EBFs that are encompassed within SAHM.

- **Section 10 – Enterprise Analytics and Research (EA&R):** This section introduces the EA&R BCA as well as narrative descriptions of the EBFs that are encompassed within EA&R.
- **Section 11 – Enterprise Access Management (EAM):** This section introduces the EAM BCA as well as narrative descriptions of the EBFs that are encompassed within EAM.
- **Section 12 – Program Guidance and Information (PG&I):** This section introduces the PG&I BCA as well as narrative descriptions of the EBFs that are encompassed within PG&I.
- **Section 13 – Shared Services:** This section provides a definition of Shared Services as well as narrative descriptions of the functions that are shared between multiple BCAs.
- **Appendix A – Acronyms and Definitions:** A reference of acronyms used in this document and definition of terms specific to this document and its content.
- **Appendix B – Bibliography:** Bibliography of documents and other resources referenced in this document.

## Section 2: Application

### 2.1 Overview

The APP BCA includes the tasks associated with providing aid education information, establishing the person record, and determining aid eligibility. Aid education is the first step in educating students about available financial aid options. Through Student Aid on the Web, users will create MyFSA accounts, the first information collection step. The MyFSA account enables users to determine eligibility for scholarships and financial aid. The MyFSA account will be accessed and maintained throughout the Financial Aid Life Cycle.

The second task, establishing the person record, entails receiving the application, processing Department of Education Personal Identification Numbers (ED PIN) requests, and distributing the ED PIN. All potential borrowers/recipients, including Parent Loans for Undergraduate Students (PLUS) loan borrowers, Federal Family Education Loan (FFEL) Borrowers, and Campus-Based Aid Recipients, will be required to submit an application for Title IV student aid to Federal Student Aid using the Free Application for Federal Student Aid (FAFSA) or an equivalent application. The student's interaction will be facilitated by the ED PIN, which currently serves as an electronic signature and authentication tool. The person record will be available to the entire enterprise as a Shared Service. A Shared Service is utilized by two or more BCAs to accomplish the objectives of each BCA in an efficient, timely manner by reducing the redundancies of each BCA performing similar functions.

While APP will be tasked with determining the applicants' initial aid eligibility, the eligibility functions will be shared and available to other BCAs and customers as Shared Services. There will also be shared functionality that provides eligibility matches with external agencies and internal financial history data. These eligibility results will be accessed by other internal business areas and distributed to the applicant via the Student Aid Report (SAR), and to schools and other financial aid partners via the Institutional Student Information Record (ISIR).

The remainder of this section provides narratives for the EBFs that are encompassed within the APP BCA. Provided below in Table 2-1 is the APP portion of the target state function matrix, which lists the function groupings and EBFs that comprise the APP BCA.

BCA	Function Grouping	Enterprise Business Function
APP	Aid Awareness	Provide Aid Education Information
	Establish Person Record	Receive Application
		Process ED PIN Requests and Distribute ED PIN
	Aid Eligibility Determination	Aggregate Relevant Information and Determine Student Eligibility

**Table 2-1: Target State Function Matrix (APP)**

## 2.2 Aid Awareness

Aid Awareness will provide financial aid education information to individuals that are interested in attending post-secondary institutions that may be unaware of their ability to apply for student loans. Aid awareness is intended to increase public awareness of and access to the programs administered by Federal Student Aid. Promoting access to tools and materials necessary for making informed decisions about postsecondary education will alleviate the problem of individuals' perceived or real lack of financial resources. In addition to broad outreach efforts to the public, aid awareness will focus on increasing the participation of specific socio-demographic groups of historically underrepresented individuals within the postsecondary education student population.

Aid Awareness comprises the EBF Provide Aid Education Information. Federal Student Aid will provide aid education information through various mediums in hopes of effectively reaching the student population. Federal Student Aid's Schools Channel produces publications such as brochures, pamphlets, presentations, worksheets and fact-sheets for schools to use in order to promote, advertise, and explain federal student aid. Schools may obtain aid education materials online at [www.studentaid.ed.gov/pubs](http://www.studentaid.ed.gov/pubs), <http://ifap.ed.gov>, or they may obtain hard copies by placing an order with the ED's publications warehouse. Federal Student Aid will also publish aid education information for prospective applicants on-line through the [www.studentaid.ed.gov](http://www.studentaid.ed.gov) website to provide explanations and answers concerning financial aid.

Through the use of an outreach program, Federal Student Aid will distribute aid information through face-to-face interactions. Partnerships with particular organizations and schools will facilitate the outreach program and allow Federal Student Aid to disseminate information to targeted groups.

## 2.3 Establish Person Record

Establishing the person record will entail receiving the FAFSA, processing ED PIN requests, and distributing the ED PIN. The student's interaction with Federal Student Aid systems will be facilitated by the ED PIN, which serves as an authentication tool and an electronic signature that is available for any business process. All potential borrowers/recipients, including PLUS Borrowers, FFEL Borrowers, and Campus-Based Aid Recipients, will be required to submit an application for Title IV student aid using the FAFSA or an equivalent application. A System ID (SID) number will also be assigned to all new applicants. The SID and PIN will stay with the applicant for as long as the person has a relationship with Federal Student Aid. The SID will be associated with the Social Security Number (SSN), ED PIN, name, and other demographic information. A transaction identifier will be linked to the SID in order to uniquely identify each submission of a FAFSA (including originals, updates, and renewals) and to monitor the FAFSA activity for each applicant.

Whether data is collected during aid education or when a person submits a FAFSA, APP will be the primary business area with the capability to establish the Person Entity record within Federal Student Aid. Once the record is established, other BCAs (such as O&D, CSB, SAHM, and CB) will be able to view and update the data throughout the Financial Aid Life Cycle. The student, via Student Aid on the Web, will also be able to update their FAFSA information.

### **2.3.1 Receive Application**

Federal Student Aid will receive applications for student aid from applicants completing and submitting the FAFSA or an equivalent application. The applicant may use a variety of mediums to transmit their application submissions, updates, and renewals to ADvance. The options available to the applicant include paper, online via FAFSA on the Web (FOW), and by school Financial Aid Administrators (FAAs) using ED Express. New applicants will be assigned a SID number that will stay with the borrower throughout the financial aid lifecycle. Each submission of the FAFSA will be assigned a transaction identifier. The transaction identifier will be linked to the SID in order to retain a history of changes.

### **2.3.2 Process ED Pin requests & Distribute ED PIN**

The ED PIN will serve as an authentication tool and electronic signature. Federal Student Aid will receive applications for the ED PIN through the ED PIN site. The application will be processed and the ED PIN will be distributed to eligible applicants. The applicants will use the ED PIN throughout the financial aid lifecycle.

## **2.4 Aid Eligibility Determination**

APP will utilize Shared Services to perform the processes necessary to obtain data for Aid Eligibility Determination. The Shared Services necessary for Aid Eligibility Determination will be Send/Receive from Matching Agencies and Calculate Expected Family Contribution (EFC). APP will also receive pre- and post-screening from the SAHM EBF Perform Student Eligibility Checks and Transfer Student Monitoring. Once all of this data is provided to APP it will be aggregated to determine student eligibility.



## Section 3: Origination and Disbursement

### 3.1 Overview

O&D is the process of receiving student- and school-level aid award records, processing promissory notes (P-Notes), distributing funds associated with aid awards, and managing the delivery of these awards. Student aid is originated by schools with the help of Federal Student Aid and financial partners. Schools are responsible for reporting award information about Direct Loans and Pell Grants to Federal Student Aid.

In the target state, origination and disbursement records for Direct Loans and Pell Grants will continue to be received on the Common Record and validated by O&D. Since Federal Student Aid provides funds for Direct Loans and Pell Grants, and is responsible for the accounting of these funds, schools are required to substantiate the disbursement of this aid with Federal Student Aid. Therefore, O&D will not only encompass aid awards and disbursement processing, it will also include funding level calculations and management. These processes will largely remain unchanged in the transition from the Current State to the Target State. The funding levels will continue to control the funds that are available for the school to drawdown in the Grants Administrative and Payment System (GAPS). They also will be used to monitor the funds that are available/used at the program level. Finally, O&D will process Administrative Cost Allowance (ACA) payments to schools for their participation in the Pell Grant program. Schools are paid a fee per student receiving one or more Pell Grants within a single award year.

The remainder of this section provides narratives for the EBFs that are encompassed within the O&D BCA. Provided below in Table 3-1 is the O&D portion of the target state function matrix, which lists the function groupings and EBFs that comprise the O&D BCA.

BCA	Function Grouping	Enterprise Business Function
O&D	Award and Disbursement Processing	Receive and Validate Title IV Direct Loan, Pell, and Campus Based Disbursements
		Process School Funding Methods
	School Aid Payments and Funding Level Management	Substantiate all Title IV Federal Aid Payments to Schools for Direct Loans and Pell Grants
		Manage Funding Levels
		Process School ACA Payments for the Pell Program

**Table 3-1: Target State Function Matrix (O&D)**

### **3.2 Award and Disbursement Processing**

Title IV student aid will be awarded by schools with the help of Federal Student Aid and financial partners. Schools are responsible for reporting award information about Direct Loan and Pell Grants to Federal Student Aid. Awards occur when a school obligates funds to a student or parent. Disbursement is when Title IV program funds are either disbursed through a school credit to a student's account or paid by a school to a student or parent directly with funds from ED, FFEL funds from a lender, or school funds used prior to receiving Title IV program funds.

#### **3.2.1 Receive and Validate Title IV, Direct Loan, Pell, and Campus Based Disbursements**

O&D will receive a common record from schools in order for the schools to receive funding from Federal Student Aid to disburse Direct Loan, Pell Grant, and CB funds to students. This common record can include the origination record with anticipated or actual disbursements. Once O&D receives the common record from the school, a receipt is sent and document level edits are performed. On an ad hoc basis, O&D will receive disbursement adjustments and change records from schools to accurately reflect changes in origination, anticipated, and actual disbursements. On a daily basis O&D will send a report of all students that have received disbursements to SAHM.

#### **3.2.2 Process School Funding Methods**

Federal Student Aid will allow schools to receive funds through two methods, advances or disbursements, depending on school eligibility data. Schools that receive advances will drawdown cash through the GAPS without having to submit a disbursement record. These schools will be given 30 days to submit actual disbursement records to O&D. Schools that are to be funded through disbursements must first submit actual disbursement records before funds will be placed in GAPS.

### **3.3 School Aid Payments and Funding Level Management**

The School Aid Payments and Funding Level Management function grouping will involve the processing of ACA payments to schools to aid in the cost of supporting the program. This function grouping will also involve management and substantiation of current funding levels (CFLs). The CFL provides each school with an initial funding amount in O&D to cover disbursements, which will be adjusted up provided that the school submits disbursement records within 30 days of the actual disbursement.

#### **3.3.1 Substantiate all Title IV Federal Aid Payments to Schools for Direct Loans and Pell Grants**

O&D will receive disbursement records from schools that will trigger an increase in funding levels. Before funding levels can be adjusted, O&D must substantiate the disbursement record with GAPS. O&D will receive a daily feed from GAPS, which lists all drawdowns and money that is currently located in GAPS. The GAPS file and the disbursement records will be matched in order to find any discrepancies. A check will also be performed with SAHM to see if there are any Pell over awards or any changes that have been made to disbursement data. Once the disbursement records have been substantiated, GAPS will receive an authorization notice to increase funding levels.

### **3.3.2 Manage Funding Levels**

O&D will be responsible for managing the funding levels for both Direct Loans and Pell Grants. For Direct Loans, the 'Manage Funding Levels' EBF deals with 'Setting up a New Award Year,' which assigns schools a CFL. Included in this process grouping is 'Funding Methods and Funding Level Control,' which deals with schools withdrawing funds through GAPS and the adjustment of the CFL. Reporting disbursements upon withdrawing funds is mandatory for all schools, so 'School Monitoring and Performance Increases' deals with the reporting of how funds were disbursed by the schools.

The Pell portion of O&D will manage funding levels similar to Direct Loans. A CFL is generated for the school and the school must report back disbursements upon drawing down funds. Included in the management of funding levels for Pell is an ACA payment. The ACA payment is made to schools annually based on the number of SARs that have been submitted from the school.

### **3.3.3 Process School ACA Payments for the Pell Program**

O&D will provide an ACA payment for schools participating in the Pell program. For each eligible SAR submitted by a school to O&D, the school will be awarded an ACA of five dollars. ACA payments are made three times a year. For each payment, the eligible SARs are summed and multiplied by five to get the payment amount. The payment amount is then sent to the school by way of Electronic Funds Transfer (EFT).

## Section 4: Campus Based

### 4.1 Overview

The CB BCA will allow schools to apply for Title IV Campus-Based Aid from Federal Student Aid. The main information form that Federal Student Aid receives from the school will continue to be the Fiscal Operations Report and Application to Participate (FISAP). The CB BCA will process the FISAP, determine the Campus-Based funding level for the Federal Perkins Loan, Federal Supplemental Educational Opportunity Grant (FSEOG), and the Federal Work-Study programs (FWS), and perform other Campus-Based administrative functions (e.g., waivers and school ACAs for Campus-Based programs).

FISAPs are submitted with information about the identity and demographics of the school, the application to participate, and the prior fiscal year spending of Campus-Based Aid. Using various formulas, simulations, a set of fixed parameters, and scenarios for calculating awards, the Campus-Based staff can tentatively determine fairly distributed funding amounts. These are then distributed to schools to confirm the requested award amounts with Federal Student Aid's calculations. The final funding notifications are calculated and distributed later in the Financial Aid Life Cycle.

The remainder of this section provides narratives for the EBFs that are encompassed within the CB BCA. Provided below in Table 4-1 is the CB portion of the target state function matrix, which lists the function groupings and EBFs that comprise the CB BCA.

BCA	Function Grouping	Enterprise Business Function
CB	FISAP Processing	Process FISAP
	CB Award Processing	Calculate and Send Out Tentative and Final Funding Notifications to Schools
		Receive Reallocation from School, Process Reallocation Obligations, and Calculate Supplemental Awards to these Schools
		Funding Adjustments, Closeout Obligations
		Perkins Cancellation Payments
		Yearly Final Award Reconciliation
	CB Program Administration	*Receive and Process Daily School File, FISAPIOP, and SUSPENOP
		*Process and Distribute FSCHOLIN and SUSPENIN
		Waiver Requests
		Provide DRAP
		Data on Teachers in Low-Income Areas
		*Reconciliation of Monthly Balance Sheet
		Process School ACA for CB

\* - Planned to be removed from EBF Matrix pending review and authorization from BTIG.

**Table 4-1: Target State Function Matrix (CB)**

## 4.2 FISAP Processing

The FISAP will be submitted to CB from schools for reporting on each of the CB programs in which the schools are involved. CB programs include the Federal Perkins Loan Program, the FSEOG program, and the FWS program. The Federal Perkins Loan Program provides low-interest loans to students with financial need who are attending schools of higher education to help pay the costs of their postsecondary education. The Perkins loan program is unique among financial aid programs. Loans are made to needy students from a revolving fund established at each participating institution. The FSEOG Program provides grants to students with financial need who are attending schools of higher education to help pay the costs of their postsecondary education. The FWS Program provides money to support part-time employment of students attending schools of higher education who need the earnings to help pay the costs of their postsecondary education.

CB contains the EBF Process Application for Funding and Fiscal Operations Report, which requires all schools wishing to participate or currently participating in CB programs to submit a FISAP on Federal Student Aid's FISAP on the Web. The school will complete and submit the FISAP online, receive real-time validation edits, access the statement of account, and view funding levels.

FISAPs are submitted with information about the identity and demographics of the school, the application to participate, and the prior fiscal year spending of Campus-Based Aid for each program. This information,

along with any unspent amounts reported from the prior year, is then verified to determine the eligibility of each school.

### **4.3 CB Award Processing**

The award processing function grouping will center on providing funds to schools based on what is reported on the FISAP. This includes the calculation of tentative and final funding, reallocations, supplemental awards, funding adjustments, Perkins cancellation payments, and final award reconciliations.

#### **4.3.1 Calculate and Send Out Tentative and Final Funding Notifications to Schools**

Using various formulas, simulations, a set of fixed parameters and scenarios for calculating awards within CB, the CB staff can tentatively determine fairly distributed funding amounts. These are then distributed to schools for them to confirm the requested award amounts with Federal Student Aid's calculations. The final funding notifications are calculated in the same way as the tentative; however, they will be distributed later in the Financial Aid Life Cycle. The final funding authorizations will be sent to FM specifying each school's final allocation for each campus-based program.

#### **4.3.2 Receive Reallocation from School, Process Reallocation Obligations, and Calculate Supplemental Awards to these Schools**

Schools will fill out and submit online a reallocation form to CB. Reallocation will redistribute unused funds from the prior year to qualifying schools for the current award year. Schools will report their unexpended balances in the Campus-Based programs at the end of each program year. Using the returned unexpended balances, unused funds, and funds deobligated from closed and/or terminated institutions the supplemental awards will be calculated. Supplemental awards will be disbursed to qualifying schools based on need.

#### **4.3.3 Funding Adjustments, Closeout Obligations**

Throughout the program award year, CB will receive and process adjustment requests from schools. An adjustment may be a funding increase or a decrease. Funding decreases will always be processed; funding increases will only be processed if the school meets certain criteria.

#### **4.3.4 Perkins Cancellation Payments**

ED will provide reimbursements of Federal Perkins Loans to participating schools on behalf of qualified borrowers. Qualified borrowers include borrowers in various employment categories such as teachers (in low-income areas), law enforcement officers, military personnel, volunteers, child/family/early intervention workers, and/or nurses/medical technicians. Qualified borrowers will submit their cancellation request to the schools for the award year. A percentage of the loan will be cancelled each year on an escalating scale. Schools report cancellations on the FISAP and the CB will process the requests and distribute reimbursement payments.

#### **4.3.5 Yearly Final Award Reconciliation**

Final award reconciliation will be conducted in April each year. The closeout process will reconcile a school's authorized award amount with its expenditure amount. CB will produce a list of deobligations for schools whose award amount is higher than the expenditure amount. The deobligations will be submitted to accounting and an e-mail will be sent to schools on the list notifying them of the award adjustment during closeout. All schools will receive a notice that the Dear Colleague Closeout Letter is posted on the Information for Financial Aid Professionals (IFAP) and FISAP self-service websites. A Yearly Final Award Notification will also be sent to GAPS.

#### **4.4 CB Program Administration**

The CB Program Administration function grouping will aid in ensuring that schools are eligible for Title IV participation as well as facilitate communication with schools.

##### **4.4.1 Waiver Requests**

CB will receive requests from schools to waive certain obligations required by CB programs. In order to remain a participant in CB programs, schools will be required to meet certain requirements. The requirements for CB programs that are eligible for a waiver include:

- A school must spend at least 7% of its FWS allocation on community service and have a reading tutor program;
- A school must meet all matching requirements for CB programs that they are part of; and
- A school must use all of the funds that have been allocated.

Schools will have the right to request a waiver of CB obligations through the completion of a waiver request form. Schools will be able to receive a waiver for these commitments if they meet certain criteria as will be determined by a panel and a final reviewer.

CB will grant schools a community service waiver if the school can prove that it would cause a hardship for their students to use 7% of FWS allocation for community service. CB will grant schools a Title III/V non-matching waiver for FWS and FSEOG funds if the school employs the student receiving the FWS funds or the student is employed by a Federal, state, or local public agency or a private nonprofit organization. Campus Based will also grant schools a non-matching waiver for FWS and FSEOG funds if the schools are designated as an eligible institution under the Strengthening Institutions Program or the Strengthening Historically Black Colleges and Universities Program. CB will also receive an under use waiver request from schools that do not spend all of their allocated funds along with justification for the waiver. CB staff will review the justification for the waiver to determine if the school is eligible.

##### **4.4.2 Provide DRAP**

The Default Reduction Assistance Program (DRAP) will be provided free of charge to schools participating in the Perkins Loan Program to assist in reducing their loan default rate. Schools will submit the names and addresses of its defaulted borrowers to Federal Student Aid. Federal Student Aid will, in turn, send a series of up to three demand letters to each borrower to encourage them to make arrangements to begin repayment of the debt to the school.

##### **4.4.3 Data on Teachers in Low-Income Areas**

In order to perform Teacher Cancellations (TC) for Perkins loans ED must maintain an up-to-date directory of low-income area schools. On an annual basis ED will send out software to state contacts for them to add/delete/change a directory of low-income area schools. This directory will be used to process Perkins cancellations reported to CB on the FISAP.

##### **4.4.4 Process School ACA for CB**

The ACA is a dollar amount the federal government allots an institution to offset the cost of administering a Title IV program. For CB the maximum amount permissible will be up to 5 percent of the sum of the loans in Perkins, the total earned compensation in FWS, and the total awards to recipients in FSEOG. The ACA will be claimed out of funds available in any or all CB awards for expenditures in any or all of the CB Programs during an award year.

## Section 5: Integrated Partner Management

### 5.1 Overview

The IPM BCA will enable Federal Student Aid to manage its partner eligibility, enrollment, and oversight processes. The entities that partner with Federal Student Aid to administer Title IV Financial Aid to students include schools, school servicers, lenders, lender servicers, Guarantee Agencies (GAs), and GA servicers. Most partners must apply to participate in Title IV programs and be deemed eligible to do so. IPM will serve as the common point for this process. IPM will also provide the capability for the partners and the individual users acting on the behalf of partners to enroll in Federal Student Aid services and to make subsequent enrollment change requests.

Once accepted, partners are overseen by Federal Student Aid to ensure that they remain compliant and eligible. In order to monitor the partners, IPM will process institutions' financial statements and audits, receive eligibility changes from accrediting agencies, and handle the partners' periodic, required recertification. As the partners are monitored, updates are made to their risk scores, funding methods, and funding controls, and case events are initiated. IPM will provide an integrated institutional view to internal Federal Student Aid systems and external Federal Student Aid partners.

The remainder of this subsection provides narratives for the EBFs that will be implemented through the IPM solution. Provided below in Table 5-1 is the IPM solution portion of the target state function matrix, which lists the function groupings and EBFs that comprise the IPM BCA.

BCA	Function Grouping	Enterprise Business Function
IPM	Partner Eligibility and Enrollment	Process Partner Application Determine & Eligibility
		Process Partner/Organization Participation Agreement
		Enroll Partner
		Individual Enrollment
		Maintain Partner Eligibility
	Partner Oversight	Identify a Risk or Issue Requiring Oversight
		Assess the Risk or Issue
		Act Upon the Risk or Issue
		Resolve the Risk or Issue

**Table 5-1: Target State Function Matrix (IPM)**

### 5.2 Partner Eligibility and Enrollment

The Partner Eligibility and Enrollment function grouping reflects the functions and processes needed to properly establish eligibility and enroll partners for participation in Title IV programs (e.g. Direct Loan, Pell,



and Family Federal Education Loan [FFEL]) and Federal Student Aid services. The Partner Eligibility and Enrollment function grouping also entails functions and processes needed to provide individuals acting on behalf of partners and Federal Student Aid staff access to Federal Student Aid systems. Other components of the Partner Eligibility and Enrollment function grouping are the functions and processes necessary for maintaining partner eligibility to participate in Title IV programs. The subsections below further explain the EBFs that make up the Partner Eligibility and Enrollment function grouping.

### **5.2.1 Process Partner Application and Determine Eligibility**

The Process Partner Application and Determine Eligibility EBF reflects those processes necessary to initially evaluate if an outside entity qualifies (i.e., is eligible) to become a partner with Federal Student Aid. Some partners will wish to participate in Title IV programs (e.g., schools, lenders, GAs etc.), while other partners will wish to only receive, review, or submit data (e.g., other federal agencies, state agencies, software providers). The former can be considered enrolling in programs, while the latter can be considered enrolling in services. The reasons for their involvement vary, therefore there will be differences in the processes to accept the partners, but all partners must be evaluated and accepted before being allowed to participate in programs or access services.

The primary technique for identifying partners will be the Routing ID (RID). The assignment of the RID is part of this EBF. For at least a transitional period the RID will be mapped to the following 'legacy' identifiers(as defined in the RID Crosswalk):

- Office of Postsecondary Education ID (OPEID)
- Direct Loan ID
- Pell ID
- FFEL ID
- Federal School Code (FSC)
- Lender ID (LID)
- GA Code
- State Agency Code
- Private Collection Agency (PCA) Code
- Integrated Post Secondary Education Data System (IPEDS) Unit ID
- eCampus Based (eCB) ID.

The Dun and Bradstreet Grantee DUNS Number and the Tax Identification Number (TIN) will always be required and the OPEID will be maintained for an indefinite period.

The major activities for processing enrollment for participation are:

- Receive pre-identity information
- Validate partner and assign or verify RID
- Receive post-identity application for program participation
- Review program application
- Assign partner legacy identifier
- Determine initial program eligibility
- Notify all appropriate parties of eligibility

### **5.2.2 Process Partner/Organization Participation Agreement**

The Process Program/Organization Participation Agreements EBF reflects the processes necessary for an external partner to become eligible to participate in Title IV programs. A pre-populated Program Participation Agreement (PPA) will be sent to schools for signature and a pre-populated Organization Participation Agreement (OPA) will be sent to financial partners for signature. Those partners wishing to only review and submit data do not have to sign a participation agreement. The major activities for processing program/organization participation agreement are:

- Generate PPA/OPA
- Receive signed PPA/OPA
- Execute PPA/OPA

### **5.2.3 Enroll Partner**

The Enroll Partner EBF reflects the processes necessary for partners, whose participation agreements have been executed, to complete the enrollment process. The major activities to complete the enrollment process for a partner are:

- Confirm partner program selections
- Notify appropriate parties/systems of enrollment decision
- Receive enrollment change information

After a partner has completed an application to participate in Title IV Programs, the application has been accepted and any required signatures have been returned, IPM will enroll the partner for participation. Federal Student Aid partners participate in Title IV programs in different ways depending on the type of partner. For example, schools will perform different IPM functions than will software providers.

When a partner decides they no longer wish to participate with Federal Student Aid, their access to Federal Student Aid systems must be revoked. This does not imply that data about this partner can be discarded. Even after a partner withdraws, that partner's historical data is still maintained indefinitely. For example, a former partner may be required to maintain a relationship with Federal Student Aid to service existing loans.

The Enroll Partner EBF will receive enrollment change information from the Partner Oversight function grouping explained further in subsection 5.3.

### **5.2.4 Individual Enrollment**

The Partner Eligibility and Enrollment function grouping also entails functions and processes needed to provide individuals acting on behalf of partners and Federal Student Aid staff access to Federal Student Aid systems and services. The Individual Enrollment EBF reflects the processes needed to properly establish and enroll these individuals (e.g., any partner's users) for Federal Student Aid services (on-line system access and the batch services required to support these operations) and the functions and processes needed to enroll Federal Student Aid staff or their representative for access to systems. Another component of the Individual Enrollment EBF is the verification of key identities prior to account creation. The last component of the Individual Enrollment EBF is the ability to make changes to the partners' user profiles as their circumstances and responsibilities change over time. The major activities to complete the enrollment of an individual are:

- Verify identity
- Enroll individual
- Modify individual enrollment

### **5.2.5 Maintain Partner Eligibility**

The process of maintaining eligibility is different for schools versus financial partners, although eligibility status applies to both partner types. The criteria for evaluating eligibility changes for a school vary somewhat from the criteria for evaluating eligibility changes for a financial partner. The Maintain Partner Eligibility EBF covers those functions necessary to process changes to eligibility, recertify the partner's program participation, and notify others of a partner's eligibility to participate throughout the partner lifecycle.

The major activities for managing the on-going eligibility for a partner's participation are:

- Receive eligibility change information (e.g., change in ownership)
- Review data
- Determine eligibility impact
- Notify all appropriate parties of status

Examples of information changes that must be received and reviewed in order to determine a partner's eligibility status include changes in school ownership, changes of affiliation (e.g., consolidation, absorption, or location to free standing) or a change in a guarantor participation agreement (from a standard guaranty agreement to a Voluntary Flexible Agreement [VFA]).

## **5.3 Partner Oversight**

The EBFs in the Partner Oversight function grouping represent key steps in the oversight lifecycle. It groups the four phases in the oversight process and establishes each phase as a separate EBF. The phases are:

- Identify a risk or issue requiring oversight
- Assess the risk or issue
- Act upon the risk or issue
- Resolve the risk or issue

### **5.3.1 Identify a Risk or Issue Requiring Oversight**

A significant benefit of IPM to Federal Student Aid's current environment shall be the enhancement of Federal Student Aid's ability to identify risks or issues. Currently, there are a number of standard events that are used to initiate the oversight process. These events come both from sources part of the routine work done at Federal Student Aid and from sources that are external to Federal Student Aid. In addition to these standard events, Federal Student Aid needs a self-monitoring tool for identifying conditions requiring oversight. This tool shall use data analysis to search for indicators of new risks or issues in a continual fashion. The Identify a Risk or Issue Requiring Oversight EBF shall identify risks or issues via three sources:

- Data analysis
- Routine operations
- External inputs

The Identify Risk or Issue Requiring Oversight EBF is comprised of those processes used at Federal Student Aid to determine if further research of a partner should be initiated.

### **5.3.2 Assess the Risk or Issue**

Once there has been a determination that an oversight risk or issue event has occurred, assessment of the risk or issue is initiated. The Assess the Risk or Issue EBF includes those processes necessary to evaluate the risk or issue. There are several key steps to conducting the assessment. These steps are:

- Assign risk or issue to appropriate analytical team
- Conduct research and preliminary review
- Conduct comprehensive review (if needed)
- Document assessment results

The comprehensive review may not be necessary based on the results of the initial research and the preliminary review. If a comprehensive review is necessary, it can take several forms. Some examples of comprehensive reviews include:

- Desk review
- On-site review

### **5.3.3 Act Upon the Risk or Issue**

The Act Upon the Risk or Issue EBF pertains to those processes that reflect the determination of what actions (if any) to take based on the results of the Assess the Risk or Issue EBF. There are several key steps for this EBF. They are:

- Determine the appropriate action. The following are examples of actions:
  - Institute limitation, suspension, or termination
  - Assess fine
  - Assign administrative action
  - Apply technical assistance
  - Apply heightened cash monitoring
  - Await pending closure
  - Pursue reimbursement
  - Execute debarment
  - Assess eligibility impact
- Escalate risk or issues(if needed)
- Execute the action
  - Formally record the action
- Notify all appropriate parties of action

### **5.3.4 Resolve the Risk or Issue**

The Resolve the Risk or Issue EBF includes the processes that verify that the actions taken for each risk or issue have been implemented to Federal Student Aid's satisfaction. Some steps with resolutions are:

- Process response
  - Process appeal
  - Receive liability payment
  - Receive letter of credit
- Determine eligibility impact
- Close risk or issue and formally record the resolution
- Notify all appropriate parties of resolution

## Section 6: Partner Payment and Reporting Management

### 6.1 Overview

The PPRM BCA will receive the invoicing for partner payments. These payments include, but are not limited to, Leveraging Educational Assistance Partnership/Special Leveraging Educational Assistance Partnership (LEAP/SLEAP) funding to State Agencies, Special Allowance and Interest Benefit payments to Lenders, and Account Maintenance Fee (AMF) and Loan Processing and Insurance Fee (LPIF) payments to GAs. For state grant disbursements, State Agencies will send LEAP/SLEAP award information, detailed expenditures, and refunds of unused award amounts to PPRM. While PPRM handles the initial calculation of the partner payments, the FM BCA processes the invoice accounting and sends the invoice to GAPS for U.S. Department of Treasury (Treasury) disbursements to the partners.

The remainder of this section provides narratives for the EBFs that are encompassed within the PPRM BCA. Provided below in Table 6-1 is the PPRM portion of the target state function matrix, which lists the function groupings and EBFs that comprise the PPRM BCA.

BCA	Function Grouping	Enterprise Business Function
PPRM	Lender Payment and Reporting Administration	Manage the Receipt, Processing and Payment of Lender Request for Interest and Special Allowance
		Manage the Calculation and Collection of Lender Fees
		Maintain and Update Lender Reporting Forms
	Guaranty Agency Payment and Reporting Administration	Manage the Receipt, Processing and Payment of Form 2000, Including Guaranty Agency (GA) Claims and Collections
		Manage the Receipt, Processing and Payment of LPIF and AMF
		Manage the Receipt, Processing and Payments Associated with Voluntary Flexible Agreements
		Maintain and Update Guaranty Agency Reporting Forms
	State Agency Funding	Process State Agency LEAP/SLEAP Applications
		Manage Funding Allocation for the LEAP/SLEAP Programs
		Manage Payments made for LEAP/SLEAP
		Process Annual Performance Reports

Table 6-1: Target State Function Matrix (PPRM)

### 6.2 Lender Payment and Reporting Administration

The Lender Payment Administration function grouping will deal with the processing of a lender reporting form containing lender/servicer payment requests submitted on a quarterly basis.

### **6.2.1 Manage the Receipt, Processing and Payment of Lender Request for Interest and Special Allowance**

PPRM will receive completed lender reporting forms from lenders via online transmissions. This form will be used by Federal Student Aid to calculate interest subsidies and special allowance payments due to the lender/servicer. The special allowance is a percentage of the average unpaid principal balance paid to the lender of a FFEL Program loan by Federal Student Aid in order to make up the difference between the interest charged to the student and the prevailing market rate. The lender reporting form will also allow lenders to submit interest benefits to PPRM. These interest benefits are payments made by Federal Student Aid to a Federal Stafford loan lender on behalf of a student during certain periods (e.g., the grace period).

The data from the lender reporting form will be used to maintain eligibility, certification, demographic, financial, review, audit, and default rate data concerning lenders. The data will also serve as the main source of consolidated customer information that will support key business areas for lenders.

### **6.2.2 Manage the Calculation and Collection of Lender Fees**

Within the lender reporting form there will be a section for listing origination information. PPRM will use this information to calculate origination fees and lender loan fees owed to Federal Student Aid. PPRM will notify the lender of the fee calculations and the amount owed to Federal Student Aid. Lenders will submit fees due using a Remittance Form. Updates will be maintained in order to track financial data concerning lenders.

### **6.2.3 Maintain and Update Lending Reporting Forms**

Lenders utilize standardized lending reporting forms to transmit information to PPRM. When reauthorization, other budget or legislative changes, or changes in regulations result in a change to what lending information is collected or how that information is collected from the FFEL community, Federal Student Aid policy offices and operations meet to determine the effect of the change on the lending reporting forms and related PPRM and Federal Student Aid processes. Any changes to the lending reporting forms are submitted to OMB for clearance. Concurrently, a CR is submitted to PPRM operations or a task order is developed by PPRM management to change the design of the application extension and related processes to incorporate the change. With OMB clearance and an approved CR or task order, PPRM Operations will update the lending reporting forms to meet the new or modified requirements. Financial Partner Services is responsible for outreach and training on these changes with the FFEL community.

## **6.3 Guaranty Agency Payment and Reporting Administration**

The GA Payment and Reporting Administration function grouping will deal with the processing of the monthly submission of the Guaranty Agency Financial Report (GAFR), also known as the ED Form 2000. Federal Student Aid created Form 2000 to simplify the billing and payment process for GAs and reduce the reporting burden for financial partners. The result of collaboration with GAs compressed three big paper reports - Forms 1189 (monthly), 1130 (quarterly), and 704 (annual) - into one simple, Web-based form.

### **6.3.1 Manage the Receipt, Processing and Payment of Form 2000, Including GA Claims and Collections**

Federal Student Aid will receive a monthly report from GAs to request payments for default, bankruptcy, death, disability, closed school, false certification, and lender of last-resort-loan (default) claims. This monthly report will also be used to notify Federal Student Aid of unpaid school refunds and teacher loan forgiveness discharges. A GA can also use the form to make payments for amounts due to Federal Student Aid for collections on default and lender-of-last-resort (default) claims on which reinsurance was paid, and for refunding amounts previously paid for reinsurance claims. Federal Student Aid will use this information to

monitor the GA's financial activities, including activities concerning its federal fund and operating fund. Information on the GAFR must be consistent with and comparable to relevant information reported to SAHM by the GA. GA related financial transactions will be recorded electronically in PPRM.

### **6.3.2 Manage the Receipt, Processing and Payment of LPIF and AMF**

SAHM will support the calculation of the LPIF and AMF. The LPIF and AMF calculations will be based on the GA reports to SAHM. SAHM will send PPRM a quarterly file of GA information to determine the fee payment amount. PPRM will be responsible for the actual calculation of the payment amount and will create invoices to be reported to the ED Chief Financial Officer (CFO). ED CFO will be responsible for informing Treasury to disburse payments to the GAs and updating PPRM when payments are made.

### **6.3.3 Manage the Receipt, Processing and Payments Associated with VFAs**

Upon approval GAs may participate in ED's VFA initiative. The VFA initiative will offer different payment models to participating GAs in hopes to enhance program integrity, increase cost efficiencies, and improve the availability and delivery of financial aid. The GA will submit weekly invoices that will be compared by PPRM to the monthly submission of the GAFR. These invoices and performance-based fees will be processed similarly to the GAFR.

### **6.3.4 Maintain and Update Guaranty Agency Reporting Forms**

GAs utilize standardized GA reporting forms to transmit information to PPRM. When reauthorization, other budget or legislation changes, or changes in regulations result in a change to what GA information is collected or how that information is collected from the FFEL community, Federal Student Aid policy offices and operations meet to determine the effect of the change on the GA reporting forms and related PPRM and Federal Student Aid processes. Any changes to the GA reporting forms are submitted to OMB for clearance. Concurrently, a CR is submitted to PPRM operations or a task order is developed by PPRM management to change the design of the application extension and related processes to incorporate the change. With OMB clearance and an approved CR or task order, PPRM Operations will update the GA reporting forms to meet the new or modified requirements. Financial Partners Services is responsible for outreach and training on these changes with the FFEL community.

## **6.4 State Agency Funding**

The State Agency Funding function group consists of the application and oversight of the LEAP program and the SLEAP program. These programs will be open to state agencies, which include all 50 states, the District of Columbia, and US territories. The LEAP/SLEAP programs will provide student aid programs for eligible students pursuing postsecondary education and who are in substantial financial need. The student aid may be in the form of grants or community service work-study employment. To participate in LEAP a state agency must match Federal funds dollar for dollar up to 30 million dollars. Any amount in excess of the initial 30 million dollars must be used to carry out the SLEAP program where the state agency must match two dollars for every one Federal dollar.

### **6.4.1 Process State Agency LEAP/SLEAP Applications**

PPRM will receive state agency applications for the LEAP/SLEAP program annually. Eligible state agencies will be given an award amount based on a derived formula. This award amount will be entered into GAPS where state agencies will be able to drawdown funds. Oversight of the LEAP/SLEAP program will be operated by a program specialist for state agency funding who will be able to recall funds from state agencies



that fail to meet allocation requirements and disburse the funds to the state agencies that are in need of excess money.

For state grant disbursements, state agencies will send LEAP/SLEAP award information, detailed expenditures, and refunds of unused award amounts to PPRM. While PPRM handles the initial calculation of the partner payments, FM processes the invoice accounting and sends the invoice to GAPS for Treasury disbursements to the partners.

#### **6.4.2      Manage Funding Allocation for the LEAP/SLEAP Programs**

PPRM will derive an award amount for state agencies that are eligible to participate in the LEAP/SLEAP programs. The award amount will be manually entered into GAPS who will in turn generate an award notification to the state agencies.

#### **6.4.3      Manage Payments Made for LEAP/SLEAP**

GAPS will allow state agencies to draw down money awarded at their discretion. To oversee this process and monitor compliance a program specialist will communicate with state agencies to ensure there are no problems with the allocated money. Additionally, the program specialist will ensure that the state agencies will be able to use all of the funds and have the capability to recall funds from state agencies that fail to meet the matching requirement.

#### **6.4.4      Process Annual Performance Reports**

The program specialist for state agency funding will receive a required Performance Report from the state agency at the end of the program award year. The Performance Report will inform the program specialist how the LEAP/SLEAP program funds were used in order to ensure compliance. These reports will be accepted in either paper form or online submission.



## Section 7: Financial Management

### 7.1 Overview

FM will provide Federal Student Aid all of its required enterprise-wide financial capabilities. Transactions will be fed to the FM processes by other BCAs (i.e., O&D, PPRM, and CSB). The transactions will largely be processed at the institution level, except for a few specific borrower level activities such as borrower refunds. As FM manages the enterprise's payment and accounts receivable processing, it maintains the associated budgeting and General Ledger (GL) accounting.

The remainder of this section provides narratives for the EBFs that are encompassed within the FM BCA. Provided below in Table 7-1 is the FM portion of the target state function matrix, which lists the function groupings and EBFs that comprise the FM BCA.

BCA	Function Grouping	Enterprise Business Function
FM	Receivables Management	Establish Receivables in Department's General Ledger System
		Research Questions or Disputes Regarding Receivables
		Ensure Receivables are Collected in a Timely Fashion with Federal Guidelines
		Process Collections from Lockbox
	Payables Management	Establish Payables in Department's General Ledger System
		Research Questions or Disputes Regarding Payables
		Ensure Payments are made in a Timely Fashion within Federal Guidelines
		Process Payments
		Manage Accruals
	Funds Management	Present and Justify Budget
		Execute Budget, Ensuring Budgetary Funds Control
		Perform Reconciliation of Activity and Account Balances
		Establish and Maintain other Internal Controls over Financial Transactions
	Financial Reporting	Ensure Accounting for Financial Transactions Meet Federal Financial Management Regulations and Guidelines
		Generate and Analyze Financial Statements and Related Footnote Data
		Manage Financial Statement Audit
		Perform or Assist with Other External Financial Reporting
		Perform Internal Financial Reporting

**Table 7-1: Target State Function Matrix (FM)**

## **7.2 Receivables Management**

The Receivables Management function grouping involves the administration of monies and financial assets owed to Federal Student Aid from a partner, such as GAs, schools, lenders, state agencies, or borrowers, for participation in Title IV activities. These receivables will be managed on the GL.

In the target state, FM would have access to data for each of the various programs (Pell Grants, Direct Loans/Non-Default, Campus-Based Aid, LEAP/SLEAP, FFEL Lender Fees and GA Fees) within the CDA. The CDA would receive transactional updates (i.e., originations, disbursements, adjustments, and refunds) from the O&D and PPRM BCAs. After the CDA is updated, if a need for a receivables management action arises, FM would directly access this data and perform the necessary receivable processing and management.

### **7.2.1 Establish Receivables in Department's General Ledger System**

Invoices for receivables will be initiated through two methods, through the LaRS form or data files sent from lenders and servicers through online submissions. Once these files are received FM will separate files into Accounts Receivable (AR) and Accounts Payable (AP). FM will automatically generate an invoice for receivables

### **7.2.2 Research Questions or Disputes Regarding Receivables**

Lenders may question or dispute receivables issued by Federal Student Aid. The Federal Student Aid CFO will work with the financial institution and the lender to resolve differences by comparing generated reports from the financial institution to information contained within FM.

### **7.2.3 Ensure Receivables are Collected in a Timely Fashion with Federal Guidelines**

FM sends invoices to lenders and servicers for payment. This function will monitor the remittance of invoices for program compliance. The financial institution responsible for the collection of money from lenders and servicers will provide a daily collections interface table to FM as well as an Automated Clearing House Receiving Report. The daily collections interface table will provide FM with the deposit ticket or debit voucher along with copies of checks and any attached correspondence. The Automated Clearing House Receiving Report will provide FM with wire and lockbox totals received by the financial institution.

### **7.2.4 Process Collections from Lockbox**

The Lockbox will be available for the receipt of lender payments through EFTs. Lenders submitting payments through the lockbox will also be required to submit a cover letter detailing how the payment is to be applied. A financial institution will be responsible for the collection of these payments and will report the cover letter and payment amount to FM.

## **7.3 Payables Management**

The Payables Management function grouping involves the administration of monies and financial assets owed to trading partners, such as GAs, schools, lenders, state agencies, or borrowers, for participation in Title IV activities from Federal Student Aid. These payables will be managed on the GL.

### **7.3.1 Establish Payables in Department's General Ledger System**

Payment requests will be initiated through two methods, through submitted forms or data files sent from trading partners and through online submissions. Once these files are received FM will separate the files into AR and AP. AP will generate a payment request out of GAPS.

### **7.3.2 Research Questions or Disputes Regarding Payables**

Organizations may question or dispute payments issued or not issued by Federal Student Aid. For issued payments Federal Student Aid CFO will work with the financial institution and the organization to resolve differences by comparing generated reports from the financial institution to information contained within FM. For non-issued payments Federal Student Aid CFO will view submitted forms within FM to see if a payment should be issued or if the payment is currently in transit to the challenging organization.

### **7.3.3 Ensure Payments are made in a Timely Fashion within Federal Guidelines**

Once a payment file has been successfully transmitted to the Treasury an e-mail notification will be sent to Federal Student Aid CFO. Federal Student Aid CFO Staff will then log onto the Government Online Accounting Link System (GOALS) and the Federal Administrator Module. Payment confirmation will be available in GOALS and the payment record batch will be confirmed in the Federal Administrator Module. Financial records will then be generated in the GL.

### **7.3.4 Process Payments**

Before a payment may be issued payment batches located within the AP will be created based on their due dates. Federal Student Aid CFO will send the payment batch file to ED CFO for verification and approval. Once the batch is approved ED CFO will certify the payment batch file and send payment and refund data to the Treasury. The Treasury will make the actual disbursements to borrowers, lenders, and GAs and will confirm payments received on GOALS. Upon confirmation the Treasury Pay Number and payment date values will be updated in the GL.

### **7.3.5 Manage Accruals**

Accruals are the recognition of revenue or expenses at the time the revenue or expense is incurred, regardless of whether or not the money has been paid or received. Accruals will be managed at the end of the fiscal year. While recording year-end entries accruals for payments will apply on the financial statement prior to closing. Accruals will be managed by FM and entered into the ED Financial Management System Software (FMSS).

## **7.4 Funds Management**

The Funds Management function grouping will establish funds control throughout Federal Student Aid's systems. Funds Control relates to the ability to track, record, and limit financial transactions in the core financial system.

### **7.4.1 Present and Justify Budget**

On a quarterly basis budget obligation entries will be entered into the FM GL. These budget obligation entries will reflect the obligation of additional budget authority. Budget Services will enter the obligation transactions into a Microsoft Excel spreadsheet or Application Desktop Integration (ADI) template. Budget Services will then post the obligation transactions in FMSS and notify Federal Student Aid CFO.

Federal Student Aid Budget Group and Financial Management Group will review the contents for accuracy and conformance to accounting protocols. The Budget Group's data entry staff will upload the ADI template or the MS Excel spreadsheet into the FM GL. The Budget Group Lead will maintain a hard copy of the transactions entered into the FM GL for auditing purposes and will be responsible for approving the budget transactions.

## **7.4.2 Execute Budget, Ensuring Budgetary Funds Control**

Budget Service will be responsible for formatting and executing the budget. Budget Service will use the GL to perform budgetary control. The budgetary control functionality will provide Budget Service with the ability to enforce separate levels of funds control by journal sources and various categories.

## **7.4.3 Perform Reconciliation of Activity and Account Balances**

Reconciliation of activity and account balances will be conducted monthly. This function will involve comparing budget transactions in the FM GL against budget transactions in the FMSS GL. The results of the reconciliation process will be an 'Outstanding Differences Report', which will be sent to the Budget Group Data Reviewer. Errors found shall be adjusted within FM by the individual who entered the original entry.

## **7.4.4 Establish and Maintain Other Internal Controls over Financial Transactions**

The Establish and Maintain Other Internal Controls over Financial Transactions function includes the maintenance of segment values, Cross-Validation Rules (CVRs), and summary templates in the FM GL.

Segment Values must be maintained within the FM GL. Segment values can be added or updated to support Federal Student Aid business events. The Accounting Division staff will review segment value changes and approve segment value updates. The Accounting Division staff will also prepare requests for new accounting segments, which will include justification and specifications. Budget Services, ED CFO, and Federal Student Aid CFO will review new segments for approval. FM Operations will apply approved segment value updates and new segment values to the FM GL.

CVRs will support Federal Student Aid business rules. Maintaining CVRs will involve synchronization between the FM GL and the FMSS GL modules. Budget Services will be the group responsible for generating CVR updates or additions. First Budget Services will update FMSS CVRs in order to create a FMSS CVR Violation Report for tests and review. Approved FMSS CVRs changes or additions will be sent to Accounting Division staff for entry into FM. A CVR Violation Report will then be created for review and validation.

Summary Templates will be maintained in order to synchronize FM summary templates to those in the FMSS GL module. Summary Template maintenance updates will arise when journals are allowed by FMSS but are rejected by the summary template within FM. In these cases the FM summary template will be dropped in order to continue the processing and posting of valid transactions. The summary template that caused a valid transaction to be rejected will be replaced to eliminate the future rejection of valid transactions.

## **7.5 Financial Reporting**

Federal Agencies will be tasked with providing timely and accurate financial statements and supporting data on their financial operations, in support of the issuance of the Financial Report of the United States Government.

### **7.5.1 Ensure Accounting for Financial Transactions Meet Federal Financial Management Regulations and Guidelines**

Accounting Division staff manually approves financial transactions, including payables, receivables and adjustments, before they are posted in the FM GL, to ensure accounting meets Federal financial management regulations and guidelines. Payable financial transactions will be officially recorded once they are reported on

the Treasury's GOALS. Upon confirmation the Treasury Pay Number and payment date values will be updated in the FM AP and GL.

Before financial statements can be generated data will be transferred in a batch file from FM to FMSS. FMSS will validate the batch against a key list of accounting rules in order to ensure the financial statements meets Federal Financial Management Regulations and Guidelines.

### **7.5.2 Generate and Analyze Financial Statements and Related Footnote Data**

The FMSS GL will receive Federal Student Aid financial data from the FM GL in order to generate financial statements. The FMSS GL will have the ability to generate various financial statements including balance sheets, statements of net cost, statements of changes in net position, statements of budgetary resources, and statements of financing. These financial statements will be furnished to the Office of Management and Budget (OMB) on an annual basis.

### **7.5.3 Manage Financial Statement Audit**

Federal Student Aid CFO is the liaison with Federal Student Aid's Office of Inspector General (OIG) and external auditors and, as such, manages the process of responding to financial statement audit requests, performs quality control on such requests, coordinates and facilitates meetings and interviews, delivers and performs analysis on the financial statements and notes subject to audit, and responds to and resolves any audit-related issues. The objective of this function is to provide complete, accurate, and timely responses to all "Prepared by Client" (PBC) requests and to timely identify and resolve all audit issues in order to support an unqualified audit opinion.

Federal Student Aid CFO monitors the status of and coordinates activities related to the auditor's PBC list. This document defines and describes items requested from management by the auditor, defines who or what Federal Student Aid organizational unit is responsible for obtaining or developing the item, and lists the date requested and date delivered. Federal Student Aid CFO will ensure that the correct individual or organization is assigned to each request (e.g., within Federal Student Aid, at a trading or operating partner, or at ED), coordinates and validates the response, and reports periodically on status. Given the nature of the audit, Federal Student Aid CFO will work with executive management, line management, and staff within most, if not all, Federal Student Aid organizational units and trading partners. Likewise, this function touches ED, Federal Student Aid, and trading partner systems and system outputs.

### **7.5.4 Perform or Assist with Other External Financial Reporting**

The FM GL will be the source of data for external financial reporting. External financial reporting may arise ad hoc or be a standard monthly, quarterly, or annual report. FM may generate reports or assist in the generation of reports by providing the necessary data.

### **7.5.5 Perform Internal Financial Reporting**

Interim financial reporting, like year-end financial reporting, has multiple purposes. Interim financial reporting articulates Federal Student Aid's results of operations for a given period (e.g., for the month, for the quarter) and the financial position at period end. Management and external parties review these reports to determine the extent to which Federal Student Aid has met its financial objectives, and to some extent, operational and compliance objectives for the period. Interim financial reporting may include multiple report formats and schedules, but is generally understood to include – at a minimum – monthly and quarterly financial statements.

Federal Student Aid's financial statements are generated from FMSS. Federal Student Aid CFO Financial Reporting and Analysis Branch staff members conduct analytical procedures and other analysis on these financial statements to validate the form and content of the statements. On a periodic basis the Financial Reporting and Analysis Branch Chief presents the results of its analysis to the Federal Student Aid CFO, including a walkthrough of the year-over-year fluctuation or "flux" analysis of key lines and the identification of any significant or unexpected deviations therein. When researching deviations or exceptions in a line item, staff may, depending on the cause of the exception, review data in FMSS, FM, or the feeder system that originally recorded the activity in question. That is, the "Perform Internal Financial Reporting" function may involve any Federal Student Aid financial system that feeds transactions to the GL.

Within the FM GL there are numerous reports that may be generated for performance analysis, system reconciliation, and balance reconciliation. These reports will be provided to FM staff in order to ensure that the FM GL is correctly and accurately logging all transactions.

## Section 8: Common Services for Borrowers

### 8.1 Overview

The CSB BCA will contain functions such as repayment, consolidation, and collections. Once a Direct Loan borrower enters the repayment process step, they are required to submit payments for their student loans to Federal Student Aid. If borrowers wish, they can consolidate their aid by submitting a consolidation application. If borrowers fail to make timely payments they become delinquent and eventually default on their loans. Federal Student Aid has various methods of handling recovery and resolution including voluntary collection means (e.g., the borrower sets up a payment plan with Federal Student Aid) and forced collection methods such as the Treasury Offset Program (TOP). The CSB BCA also includes loan reassignment to a private collection agency or third-party servicer and death, disability and bankruptcy discharge processing.

The remainder of this section provides narratives for the EBFs that are encompassed within the CSB BCA. Provided below in Table 8-1 is the CSB portion of the target state function matrix, which lists the function groupings and EBFs that comprise the CSB BCA.

BCA	Function Grouping	Enterprise Business Function
CSB	Service Debts	Perform Entrance and Exit Counseling
		Initiate Loan Servicing/Book Loans/Receive Assignments and Pell Over Awards
		Maintain Repayment Plans
		Produce Borrower Bills
		Manage Delinquency
		Track Conditional Disability Discharge
		Notify/Report Credit Alert Interactive Voice Response System (CAIVRS) default information
		Perform Skip Tracing
	Consolidate Loans	Process Application for Consolidation
		Certify Underlying Loan Information
		Pay Off Underlying Loans
	Recovery and Resolution	Assign Defaulted Loans to PCAs
		Perform Normal Collections and Handle Remittance
		Perform Forced Collections (TOP, Wage Garnishments, and Litigation)
		Process Entitlement due to Death, Bankruptcy, and Discharges
		Process Borrower Remittance

**Table 8-1: Target State Function Matrix (CSB)**

## **8.2 Service Debts**

The Service Debts function grouping will begin when borrowers undergo entrance counseling and will end at the point when a borrower has paid-in-full, defaulted, consolidated, or received an entitlement or discharge due to death, bankruptcy, or disability.

### **8.2.1 Perform Entrance and Exit Counseling**

ED will provide the materials for the schools to present entrance and exit counseling. Schools will be required to conduct these two counseling sessions to inform borrowers of their rights, responsibilities, and consequences. Upon the completion of entrance and exit counseling borrowers will be required to take a test to verify that they fully comprehend their obligations as a borrower. Once exit counseling is completed the borrower will choose a repayment plan, which will be recorded in CSB.

### **8.2.2 Initiate Loan Servicing/Book Loans/Receive Assignments and Pell Over Awards**

CSB will receive booking records and school information from O&D to aid in the Initiate Loan Servicing/Book Loans function. Until the Anticipated Completion Date (ACD) has been reached the borrower will remain in Loan Servicing where monthly, quarterly, and annual reports are produced within CSB. Once the ACD has been reached the borrower will enter into the grace period, which can range from 6-9 months before repayment begins.

CSB will also manage debt assignments (both defaulted and non-defaulted) from other Federal Student Aid programs, such as Federally Insured Student Loan (FISL), Pell/SEOG, Guaranteed Student Loan (GSL)/PLUS, Perkins Loan, and FFEL/Direct Loan. Assignment of loans may either be transferred to a PCA or remain in CSB depending on the default status of the loan or grant over award.

Although FISLs have been discontinued there are many open loans that will require servicing. ED is the guarantor of FISL loans. Lenders that experience trouble collecting money on the loan due to default, death, bankruptcy, or disability will file a claim with ED to request compensation. If able, the loans will be entered into CSB and assigned to the appropriate business function.

Pell grants and SEOG are awarded to students who meet certain criteria. These grants do not need to be paid back unless the student fails to fulfill the requirements of the grant. These requirements include attending school more than half-time and providing appropriate information. If grant recipients fail to meet these requirements they will become ineligible to receive the grant and must pay back all or a portion of the grant money. The ineligible grant recipients will be treated as borrowers and assigned within CSB for processing borrower remittance.

GSL and FFEL PLUS loans are provided to borrowers through a lender or private agency (bank or credit union) and the loans are backed by a GA. If a borrower defaults on the loan the lender or private agency will file a complaint to the GA. Federal Student Aid will pay the GA to support the complaint from the lender or private agency and the GA will pursue collection on the loan.

Perkins loans will be assigned for two reasons: if the school closes or terminates participation in the Perkins loan program, or a borrower defaults on a Perkins loan. Perkins loans are part of the CB aid that Federal



Student Aid provides for students in substantial financial need. Federal Student Aid will assign the defaulted Perkins loans to a PCA for collection. The non-defaulted Perkins loans due to school closure will be assigned within CSB for collection.

CSB will assign a PCA to pursue collections if a borrower defaults on either a FFEL or Direct Loan. Eligibility for receiving FFEL or Direct Loans are the same for borrowers, however, the source of the funds is different. Loans under the FFEL program are provided by private lenders and are insured by GAs. The federal government in turn insures the GA thus reinsuring the loans provided by private lenders. Direct Loan funds, on the other hand, are provided directly by the federal government.

### **8.2.3 Maintain Repayment Plans**

Federal Student Aid provides a variety of repayment plan options for borrowers. Borrowers will be able to select their own payment plans during exit counseling and change payment options while still in repayment. One option for borrowers will be an Income Contingent Repayment (ICR) plan. The ICR plans will be available for borrowers under the Direct Loan program or direct PLUS loan program. The ICR plan will give borrowers the flexibility to repay their loan without causing undue financial hardship. In order to participate in the ICR plan borrowers must authorize the IRS to inform ED of their income amount, which will be used to calculate the repayment amount. The monthly payment will be adjusted annually based on the adjusted gross income, family size, interest rate, and the total amount of the Direct Loan debt.

Borrowers that do not select the ICR plan will select payment options and CSB will create a repayment schedule. During the selection of repayment plans a borrower will be able to select the method of payment and the medium for transmission of bills, which will be discussed later in this section.

### **8.2.4 Produce Borrower Bills**

A borrower bill for Direct Loans will be produced in two formats: mail or e-mail. Unless requested, borrowers will receive their bills via mail. The mailed bill will be sent to the borrowers through the fulfillment center and will contain the amount due for the period. The e-mail that is sent to borrowers is not a bill it will simply inform them that the bill is posted on a website. Bills may also be triggered through the receive assignments process.

### **8.2.5 Manage Delinquency**

When borrowers miss a payment or do not submit sufficient funds they are considered delinquent. The Manage Delinquency function will take steps to aid in default prevention. A delinquent borrower will become a defaulted borrower if no payment is received in 360 days. CSB will inform fulfillment to send out past due notices to delinquent borrowers. CSB will also provide contact information to call queues run by contractors. After 30 days has passed and no payment is submitted notices will be sent to the endorser of PLUS loans. After 60 days has passed and no payment is submitted notices will be sent to the credit bureau of the delinquent borrower. After 360 days past due the borrower will be considered defaulted and the loan will be assigned to a PCA.

### **8.2.6 Track Conditional Disability Discharges**

The Track Conditional Disability Discharges function will accept assignments from FFEL GAs, CSB, and Perkins schools for loans where the borrower may be eligible for loan discharge due to total and/or permanent disability. Conditional disability discharges will be held for a period of three years before the discharge is permanently granted. Eligible borrowers for disability may have 100% of their loan discharged.

A discharge means the borrower is no longer obligated to make loan payments and monies paid on the loan may be refunded. A discharge will also expunge any adverse credit record related to a default.

### **8.2.7 Notify/Report Credit Alert Interactive Voice Response System Default Information**

CSB will provide default information to Department of Housing and Urban Development (HUD). The information transferred includes name, SSN, and other default information.

### **8.2.8 Perform Skip Tracing**

Skip Tracing is a free service provided by ED to schools and GAs. The objective of skip tracing is to find the addresses of defaulted borrowers. CSB will provide the name and SSN of defaulted borrowers and will transmit a weekly skip-tracing request to the IRS. The IRS will return the addresses for the defaulted borrowers, if one is available. CSB will be the responsible for housing all of the returned results.

## **8.3 Consolidate Loans**

Loan consolidation will be provided by Federal Student Aid for eligible borrowers. Non-defaulted borrowers may consolidate all of their student loans or a subset of their student loans into a single loan with one monthly payment. Delinquent and defaulted borrowers must meet certain requirements before they may consolidate their loans. Borrowers will first apply with CSB to consolidate their loans. The lender will subsequently be paid off for the underlying loans and Federal Student Aid will assume responsibility for collections from the borrower. CSB will work with schools and FFEL lenders to help borrowers consolidate multiple loans into a single consolidated loan. There are two types of consolidation loans: the Direct Loan Consolidation loan and the FFEL Consolidation loan. Lenders provide consolidation loans under the FFEL program while the Federal government provides consolidation loans under the Direct Loan program. The loans eligible for a Direct Loan Consolidation include:

- Direct Subsidized and Unsubsidized Loans
- Federal Subsidized and Unsubsidized Federal Stafford Loans
- Direct PLUS Loans and Federal PLUS Loans
- Direct Consolidation Loans and Federal Consolidation Loans
- Guaranteed Student Loans
- Federal Insured Student Loans
- Federal Supplemental Loans for Students
- Auxiliary Loans to Assist Students
- Federal Perkins Loans
- National Direct Student Loans
- National Defense Student Loans
- Health Education Assistance Loans
- Health Professions Student Loans
- Loans for Disadvantaged Students
- Nursing Student Loans

In some instances FFEL borrowers may consolidate under the Direct Loan Consolidation if they are eligible. The business functions in this subsection highlight the process of a Direct Loan Consolidation.

### **8.3.1 Process Applications for Consolidation**

CSB will receive applications from borrowers wishing to consolidate their loans. The application will contain all loan data for loans they wish to consolidate as well as identify the loan holder. Part of the application for consolidation is the inclusion of a P-Note. Management of P-Notes will be a shared service with the O&D BCA. Upon receipt of consolidation requests from PLUS borrowers CSB will access the Shared Service Run Credit Check to view the credit history of the applicants. For more information on the shared service listed in this subsection please refer to section 11 of this document.

### **8.3.2 Certify Underlying Loan Information**

For applicants eligible for consolidation CSB will send a Loan Verification Certificate to loan holders identified in the application. Loan holders will submit the loan balance and interest rate to CSB. This information is transmitted to borrowers where they will have the option to continue consolidation, stop consolidation, or consolidate a subset of the loans. Federal Student Aid will also certify Direct Loans to outside lenders for borrowers that wish to have their Direct Loans consolidated under a FFEL consolidation loan or a private lender.

### **8.3.3 Pay Off Underlying Loans**

Based on the selection of the borrower to continue consolidation or consolidate a subset of the loans, Federal Student Aid will submit payments to the loan holders for the underlying loans to be consolidated. Federal Student Aid will also pay off loans they have been issued under the Direct Loan program. Once the loans are paid off they will be considered closed and a Federal Consolidation Loan will be created and booked within CSB for collection.

## **8.4 Recovery and Resolution**

The Recovery and Resolution function grouping is concerned with remittance from defaulted and non-defaulted borrowers, recovery of payments through PCAs and forced collection methods for defaulted borrowers, and resolution of payments through entitlements and discharges for eligible borrowers.

### **8.4.1 Assign Defaulted Loans to PCA**

Defaulted loans are loans that are past due by 360 days. These loans will be assigned to PCAs for collection. Upon assignment to a PCA an A-50 form will be sent to the borrower notifying them of the loan transfer. The PCA will now have the responsibility of collecting on the defaulted loan and will be paid according to their success in receiving payments from defaulted borrowers. A borrower can be removed from default status by submitting twelve consecutive payments to the PCA. In this case the loan will be rehabbed within CSB and Federal Student Aid will resume processing borrower remittance.

### **8.4.2 Perform Normal Collections and Handle Remittance**

Perform normal collections and handle remittance deals with the collection of payments from defaulted borrowers. The payments submitted can be voluntary or involuntary payments. Involuntary payments refer to wage garnishments submitted by an employer. The types of payments accepted for normal collections and handle remittance include checks, western union, foreign checks, credit card, and electronic debit account. Payment updates are tracked within CSB.

### **8.4.3 Perform Forced Collections (TOP, Wage Garnishments, and Litigation)**

On occasion CSB will receive the accounts of uncooperative, defaulted borrowers from PCAs. The Perform Forced Collections function consists of three tools that Federal Student Aid has at its disposal to collect on

these defaulted borrowers; the tools include the TOP, Administrative Wage Garnishments, and Litigation. Forced collection methods will only be implemented if the PCA can sufficiently prove that they have exhausted all efforts/methods for collecting on the loan to no avail.

The TOP will take all or some of the Federal funds that an eligible defaulted borrower is entitled to, until the loan is paid in full. Before funds can be taken, two notices are sent to the borrower explaining the program and requesting payment. If the defaulted borrower does not respond, the loan account will be transferred to the Treasury for collection of federal funds. Treasury will update CSB weekly with the amounts collected for each account.

Wage Garnishment will be used in conjunction with TOP to collect the money owed on a student loan. Before wage garnishment is implemented a T-12 notice shall be sent to borrowers informing them of the wage garnishment program and encouraging them to submit payment. If no payment is received within thirty days ED will contact the defaulted borrowers' employers to mandate that 15% of the employees' wages be garnished for payment on a defaulted loan. The payments submitted by employers will be entered into as involuntary payments through the Perform Normal Collections and Handle Remittance function.

Litigation will be another alternative to perform forced collections. The litigation office will receive account information of a defaulted borrower and a litigation package from the PCA for review. Eligible, defaulted borrowers will be forwarded onto the National Central Intake Facility for further review and a final determination. Defaulted borrowers approved for litigation will be given the chance to reach a settlement or opt to litigate with the U.S. Attorney's Office. The U.S. Attorney's Office will send to the litigation office either the settlement reached or the court ruling.

#### **8.4.4 Process Entitlements due to Death, Bankruptcy, and Discharges**

Requests for Entitlements due to Death, Bankruptcy, and Discharges are processed within CSB. Entitlements regarding death will be discharged in full when a valid death certificate is presented. Entitlements regarding bankruptcy can be discharged in full if a bankruptcy court rules that repayment would cause undue hardship. Other valid discharges on student loans include closed school, false certification, unpaid refund, and unauthorized payment. A closed school discharge will only be accepted if the school closes before the borrowers could complete their course of study. False certification discharges will be accepted if the school knowingly allows borrowers to attend the school or take courses that they are ineligible for. An unpaid refund discharge will be accepted if a school does not make the required return of loan funds to a borrower. The final discharge type is an unauthorized payment, which occurs when a school has signed the borrowers P-Note without approval. While claims for discharges are being processed an administrative forbearance is placed on the account. Forbearance is a temporary postponement or reduction of payments for a period of time. However, during the period of forbearance interest will accrue.

#### **8.4.5 Process Borrower Remittance**

The Process Borrower Remittance function will deal with the collection of payments from non-defaulted borrowers on their loans. Non-Defaulted borrowers may choose from a variety of repayment options including check, electronic (web), electronic debit account, and credit card. Bank of America will process the checks and collect electronic payments through the web or debit account and Mellon Bank will handle credit card payments. The financial institutions will then update CSB with the payments received.

## Section 9: Student Aid History Management

### 9.1 Overview

The SAHM BCA will enable Federal Student Aid to:

- Monitor aid eligibility including pre screening, post screening, and transfer monitoring
- Receive and process student enrollment updates from schools and their servicers
- Manage the default rate process including calculation, distribution, and publishing default rates
- Provide aid-level calculation services and provide SAHM operational reports and metrics
- Manage receipt of student, aid, and organization data to provide an integrated student view of financial aid history

The remainder of this section provides narratives for the EBFs that are encompassed within the SAHM BCA. Provided below in Table 9-1 is the SAHM portion of the target state function matrix, which lists the function groupings and EBFs that comprise the SAHM BCA.

BCA	Function Grouping	Enterprise Business Function
Student Aid History Management	Monitor Aid Eligibility	Perform Student Eligibility Checks and Transfer Monitoring
	Student Enrollment Reporting	Perform Student Enrollment Status Processing
	Default Rate Processes	Calculate Default Rates
		Distribute Default Rates
		Publish Default Rates
	Calculations and Reporting	Provide Aid Level Calculation Services
		Provide SAHM Operational Reports and Metrics
	Financial Aid History	Provide Financial Aid History
		Manage Receipt of Title IV Student/Award Level Data from Data Sources
		Perform Program Level Editing on Award Level Information
		Provide Operational Support Services
		Manage Receipt of Summary Aid and Organizational Data

**Table 9-1: Target State Function Matrix (SAHM)**

## **9.2 Monitor Aid Eligibility**

The Monitor Aid Eligibility function grouping provides capability for screening applicants for aid eligibility throughout the application lifecycle and for monitoring eligibility of transfer students.

### **9.2.1 Perform Student Eligibility Checks and Transfer Student Monitoring**

The Perform Student Eligibility Checks and Transfer Monitoring EBF reflects the pre-screening that identifies whether an applicant is eligible to receive any Title IV Aid. The pre-screening process detects applicants who are in default on any Title IV loan that includes Direct Loan and FFEL, who have overpayments due on a Pell Grant, FSEOGs, or Perkins Loans, who have exceeded the maximum aggregate loan limits for each type of loan, or who have other conditions that may affect a student's eligibility. Pre-screening is triggered when ADvance receives FAFSA data and transmits it to SAHM. The information found in SAHM concerning the applicants' eligibility is then transmitted back to ADvance.

In addition, this EBF reflects the process of post-screening eligibility checks for all students for which a pre-screening has been performed. The post-screening consists of identifying changes in a borrower's Financial Aid History and changes in eligibility status throughout the application's award year cycle. The post-eligibility findings will be transmitted to ADvance.

The Perform Student Eligibility Checks and Transfer Student Monitoring EBF also contains the process of providing transfer student monitoring to schools that have registered to participate. The schools provide transfer students' information so SAHM can monitor for any changes in financial aid eligibility or financial aid status for the period requested by the school. For the duration of the monitoring an alert is sent to the school if a change is made.

## **9.3 Student Enrollment Reporting**

The Student Enrollment Reporting function grouping reflects the functions and processes needed to receive student enrollment updates from schools and their servicers, to store this information, and to distribute relevant enrollment updates to interested loan holders such as lenders, Gas, and Federal Student Aid's Borrower Services. These data are primarily used by loan holders to convert borrowers into the repayment phase of the financial aid lifecycle.

### **9.3.1 Perform Student Enrollment Status Processing**

The Perform Student Enrollment Status Processing EBF reflects how SAHM aids in enrollment tracking of students by receiving, processing, and distributing enrollment status updates. This EBF provides the portfolio of aid recipients for which Federal Student Aid requires enrollment status updates to an enrollment data provider source such as the Enrollment Clearinghouse. The Enrollment Clearinghouse then provides Federal Student Aid the status of the recipients which they maintain. For those recipients that attend schools that do not have a participation agreement with the Clearinghouse, rosters are sent to schools/school servicers to complete. The schools/school servicers then send the completed rosters back to SAHM with relevant enrollment updates. Additionally, Lender/Lender Servicers, GA/GA servicers, and Borrower Services can send enrollment status updates to SAHM if they have received notification from the borrower directly. This is facilitated through the loan reporting process; SAHM processes the changes as appropriate.

This EBF reflects the process of overseeing the adherence of the student enrollment status reporting requirements performed by schools/school servicers and the Clearinghouse. SAHM sends late reporting notifications to schools/school servicers and the Clearinghouse when they are not meeting their reporting requirements. Standard reports are also available to monitor reporting compliance, which are accessible to Case Management staff, Federal Student Aid employees, and other interested parties who oversee reporting compliance.

## **9.4 Default Rates Processes**

The Default Rate Processes function grouping performs the processes needed to calculate default rates, distribute default rates, and publish default rates.

### **9.4.1 Calculate Default Rate**

The Calculate Default Rates EBF reflects the process of calculating draft and official cohort default rates. Currently, there are two calculations for Cohort Default Rates (CDRs). The non-average rate formula is used for schools with 30 borrowers and over and the average rate formula is used for schools with fewer than 30 borrowers. The non-average rate formula consists of dividing the number of borrowers who default in the cohort default period by the number of borrowers who enter repayment in the cohort fiscal year. The average rate formula is similar to the non-average rate formula except it uses the data from the cohort fiscal year and the two preceding cohort fiscal years to calculate the CDR.

The above default rate formulas are used to calculate both the draft and official default rates. Draft default rates will be calculated for schools, lenders, GAs, and Borrower Services so data analysis can be performed to ensure that there are no integrity issues with the data used for a default rate. Official default rates are used as a measure to determine a school's eligibility in participating in Title IV programs. In addition to the draft and official default rates, SAHM will calculate an unofficial notional default rate to assist schools in monitoring their current rate on an ongoing basis. Preview default rates are calculated to give Federal Student Aid an ongoing prediction of the upcoming cohort fiscal year rate.

This EBF also reflects enabling the capability to calculate other types of alternative default rates (e.g., lifetime default rate, Perkins default rate) as required by Federal Student Aid.

### **9.4.2 Distribute Default Rate**

The Distribute Default Rate EBF process reflects the distribution rate notifications and supporting record details such as the electronic cohort default rate reports (eCDRs) to schools and other trading partners and to IPM for Case Management and Oversight.

### **9.4.3 Publish Default Rate**

The Publish Cohort Default Rate EBF reflects the process necessary to store default rates and the calculations in the Operational Data Store (ODS) and to provide the capability to control the publication of rates for use in the integrated views of schools and partners. Currently, default rates are published to the NSLDS website (<https://www.nslsdfap.ed.gov>) for viewing.

## **9.5 Calculations and Reporting**

The Calculations and Reporting grouping provides the capability for calculating business-driven aggregate calculations and the award-level detail supporting the aggregate calculations such as the GAFR reasonability



processes. SAHM provides the support services necessary for these aggregate calculations and for communicating results to Federal Student Aid business areas, for populating information in the Enterprise Data Warehouse, and for informing trading partners. In addition, the Calculations and Reporting grouping provides the capabilities to develop SAHM operational reporting needs, such as benchmark reports and online standard user reports specific to SAHM functionality.

### **9.5.1 Provide Aid Level Calculation Services**

The Provide Aid Level Calculation Services EBF reflects the process of using award-level data to calculate the AMF and the Loan Processing Insurance Fee (LPIF), and provide these calculations to Partner Payment Reporting and Management (PPRM). The AMF is a fee paid by PPRM to GAs on an annual basis that is a percentage of the original principal balance of guaranteed loans outstanding. The LPIF is a fee paid to GAs for their disbursement volume processed for each fiscal quarter.

The EBF also conducts financial reporting reasonability of the GAFR, a report created Federal Student Aid to simplify the billing and payment process for GAs and reduce the reporting burden for financial partners. GA/GA servicers use the GAFR (Form 2000) to report collection activities, claims reimbursement, and loan portfolio status. By using the data stored within SAHM for each GA/GA servicer a comparison report can be generated to match the summary data on the GAFR with the award detail data in SAHM.

These capabilities can be used by other business areas as requested to perform equivalent calculations that require data knowledge and application of business rules to derive aggregates.

### **9.5.2 Provide SAHM Operational Reports and Metrics**

The Provide SAHM Operational Reports and Metrics EBF reflects the process needed to develop and provide internal and external partners with operational reports such as the benchmark reports for data providers used for analysis to assure consistency and integrity of reported data. This EBF also provides operational reports for other SAHM EBF grouping to manage SAHM operations such as the analysis reports for default rate calculations and compliance reports/triggers sent to IPM. As well, this EBF provides the SAHM Operational reports and metrics used to manage SAHM's functional operations such as volume statistics, usage statistics, and program monitoring.

## **9.6 Financial Aid History**

The Financial Aid History function grouping reflects the process of gathering aid, organization, and program data, maintaining the data relationships, and providing various integrated views (i.e., student, school, and financial partner) of financial aid history. The Financial Aid History function grouping also entails functions and processes needed to manage the receipt of Title IV Student and Award Level Data from data providers. Other components of the Financial Aid History function grouping are the functions and processes necessary for performing program-level editing on award-level information, providing data reporting enablers to partners, and managing the receipt of summary aid and organizational data.

### **9.6.1 Provide Financial Aid History**

The Provide Financial Aid History EBF reflects the process needed to provide a centralized, integrated view of Title IV aid that is tracked through its entire cycle, from aid approval through closure. Integrated views, which retrieve data from the ODS or EDW, provide internal and external trading partners with student level data (e.g., awards and disbursements, loan status, enrollment, FAFSA submission summary, eligibility



determinations, demographics) and organizational level data (e.g., organization identification information, organization contact information).

### **9.6.2 Manage Receipt of Title IV Student and Award Level Data from Data Sources**

The Management of Receipt of Title IV Student and Award Level Data from Data Sources EBF reflects the management of Title IV aid information at the student level and award level. The data comes from GAs/GA servicers, schools/school servicers, lenders/lender servicers, Aid Application, Origination and Disbursement (O&D) BCA, Borrower Services BCA, and ECMC. AO&D provides aid application, Pell Grant and Direct Loan information. Schools provide aid overpayment and Perkins loan information. Borrower Services provides information on Direct Loan Servicing and Consolidation, Debt Collection activity, and Conditional Disability Discharge Tracking activity. This EBF also manages the receipt of FFEL information from lenders/lender servicers, GAs, and ECMC. Federal Student Aid intends to perform major business process reengineering of the data flow of FFEL program information as part of the implementation of SAHM. The intent of reengineering of the business process is to improve the timeliness and integrity of the data while maximizing to the fullest extent community standards such as the XML Registry and Repository and to streamline and simplify the interface between Federal Student Aid and its FFEL Financial Partners. Please see subsection 1.1.6 for information on the current and future states of the FFEL information exchanges.

### **9.6.3 Perform Program Level Editing on Award Level Information**

The Perform Program Level Editing on Award Level Information EBF reflects the processes needed to perform program level editing on aid level data submitted by data sources for appropriately cleansing data for populating the ODS. If data errors are identified, the erroneous data is retained and flagged and an error file is transmitted back to the data source for resolution.

### **9.6.4 Provide Operational Support Services**

The Provide Operational Support Services EBF reflects the processes needed to provide community outreach and customer support—including to provide trading partners with reporting software or technical specifications to facilitate the submission process of data in a formatted, correct, and timely manner—and to provide data quality resolution, and provide technical assistance.

### **9.6.5 Manage Receipt of Summary Aid and Organizational Data**

The Manage Receipt of Summary Aid and Organizational Data EBF reflects the process needed to provide summary data at an organizational level and program level. The data come from the various BCAs throughout Federal Student Aid. SAHM manages the receipt of summary aid data for Title IV programs. These data will be integrated into the Information Framework to support integrated views of Financial Partners. SAHM does not maintain award level data such as the LEAP/SLEAP data. Award level data are maintained by FMS

SAHM also manages the receipt of summary organization data for Title IV programs. PPRM will provide invoice data for lenders and guarantors (LaRS and GAFR) to SAHM for reasonability monitoring and program oversight. Campus Based will provide to SAHM, FISAP data for reasonability monitoring of Perkins loans and program oversight for all campus based programs. Receipt of these data will be integrated into the Information Framework to support integrated views for organization and financial partners.

# Section 10: Enterprise Analytics and Research

## 10.1 Overview

The EA&R BCA will enable Federal Student Aid to:

- Acquire data to be used for enterprise analytics and store it in structures optimized for query access within the EDW
- Produce enterprise analytics and ad-hoc and standard reports
- Perform predictive modeling and “what-if” analysis

Similar to the SAHM BCA, the EA&R BCA will provide capabilities that are essential across the entire financial aid lifecycle. EA&R will deliver analytical capabilities and maintain a single source of high quality data necessary to empower Federal Student Aid employees with trustworthy Business Intelligence (BI).

EA&R will use central, consolidated data to provide a single, authoritative source of information to the enterprise. By maintaining this single source of cross-enterprise data, EA&R will enhance Federal Student Aid’s analytical capabilities by allowing Federal Student Aid to better perform comprehensive program analyses and comparative analyses at both the student and school level. The analyses from this centralized and consolidated data source will help support more effective and informed decision-making. For example, data mining may identify previously unknown trends in student and trading partners’ Title IV participation, possibly prompting recommendations for policy changes.

The analytics that will be provided by EA&R are cross-function as well as cross-enterprise and will help streamline Federal Student Aid’s business processes by getting answers to those who need them sooner and reducing the time spent putting together the analytics. Oversight and eligibility triggers, which previously required the labor-intensive process of collecting data from various Federal Student Aid systems, will be executed seamlessly against a common data store. For example, as part of EA&R, Ombudsman case tracking will have access to historical data across a student’s lifecycle in the system, which will help them provide quick answers to questions.

The remainder of this subsection provides narratives for the EBFs that comprise the EA&R BCA. Provided in Table 10-1 is the EA&R solution portion of the target state function matrix, which lists the function groupings, EBFs and sub-EBFs that comprise the EA&R BCA.

BCA	Function Grouping	Enterprise Business Function
Enterprise Analytics & Research	Acquire Enterprise Analytic Data	Acquire Enterprise Operational Data
		Acquire Enterprise Performance Management Data
		Integrate Enterprise Analytic Data
		Manage Metadata
		Validate and Cleanse Data
		Audit, Balance and Control
		Report on Data Quality
	Enterprise Reporting and Analytics	Produce Enterprise Standard Reports and Queries
		Produce Data Extracts
		Enterprise Performance Management
		Cross-System Analytics
		Provide Customer Service
		Support Other Department of Education Offices
	Predictive Modeling	Recommend Policy Changes
		Acquisition & Planning Strategy
		Provide Data to Support Default Management
		Provide Data to Support Risk Management
		Budget Formulation & Credit Reform

**Table 10-1: Target State Function Matrix (EA&R)**

## 10.2 Acquire Enterprise Analytic Data

This EBF Group performs data acquisition to populate the EDW. Data are validated, integrated, and stored in EDW data structures that are optimized for queries and reporting. Auxiliary data processes are also included here: metadata management, audit trail, and data quality reports.

### 10.2.1 Acquire Enterprise Performance Management Data

The Acquire Enterprise Performance Management Data EBF supplies the EDW with data that are supplied by sources other than the ODS, primarily enterprise performance metrics. Much of this information will be supplied by either manual or semi-automated sources. The information includes IT and data center performance metrics, contract performance metrics and customer contact center performance metrics

### 10.2.2 Integrate Enterprise Analytic Data

The Integrate Enterprise Analytic Data EBF will combine operational and performance management data into a single, integrated data source that will be used for reporting and analytics purposes.

### 10.2.3 Manage Metadata

The Manage Metadata EBF will gather and provide metadata that describes the contents and operations of the enterprise analytics environment. The metadata includes:

- Schematic description of the contents of all data stores that are managed by Enterprise Analytics in a form that informs business users and is usable by Data Warehousing (ETL), BI and data modeling tools
- Transformations and mappings between source systems and data stores as employed by the processes that populate the data stores
- Traceability of contents back to data source or calculation
- Operational status and metrics that describe the execution of processes that populate the data stores
- Data quality metrics that measure the quality of the data stores

#### **10.2.4 Validate and Cleanse Data**

The Validate and Cleanse Data function will validate and cleanse data for loading into the EDW. The ODS will be responsible for the major data cleansing and integration processes as it receives data from numerous BCAs (including CSB, O&D, IPM, APP, and FM). EA&R will not need to redo these processes, however these data still needs to be validated to ensure that the data extracted from the ODS will integrate with the data loaded into the EDW.

The data received from other sources, mostly performance management data, will need to be validated and thoroughly cleansed. For these data, EA&R will perform data cleansing processes similar to those done by SAHM. Business owners will set business rules, which will be implemented by data architects. Business rules will aid data quality by:

- Resolving duplication of data (e.g., people, organizations, addresses)
- Resolving unique identifiers
- Screening out data that does not meet business rules

Data stewards, business owners, data architects, and application operators will be necessary to resolve data issues that cannot be handled by automated business rules.

#### **10.2.5 Acquire Enterprise Operational Data**

The operational data gathered in support of SAHM is the source of most of the enterprise analytic data. This EBF will obtain the data from SAHM and other functional areas, as appropriate, and will transform it into a form that is suitable for reporting, queries, computation of metrics, and analytics.

#### **10.2.6 Audit, Balance and Control**

The Audit, Balance and Control (“ABC”) EBF facilitates accountability and trust in the data that are made available for analytics usage. ABC gathers operational metadata that supports:

- The ability to identify the events and parties that caused insertion, update or deletion of data
- Assurance that all information that has been received from providers has been properly processed and that none has been unintentionally misplaced, lost or misinterpreted
- Recording the execution of all processes that bring information into the analytics environment

Proper audit, balance and control processes instill confidence and trust in the information that enterprise analytics will provide.

### **10.2.7 Report on Data Quality**

Application operators will operate the systems that act as data sources to the warehouse. They will receive metrics that will report on the quality of the data transmitted from their systems. Metrics will also be created for tracking the data warehouse as a whole. These metrics will be reviewed by the parties involved in order to fix problems in source systems and recommend standards and policies for data representation and exchange between Federal Student Aid systems.

## **10.3 Enterprise Reporting and Analytics**

The Enterprise Reporting and Analytics function grouping produces standard reports and queries, supports enterprise performance management, provides cross-system analytics and provides support to other ED offices.

### **10.3.1 Produce Enterprise Standard Reports and Queries**

The Produce Enterprise Standard Reports and Queries EBF creates and distributes a regularly scheduled collection of analytic reports to clients within Federal Student Aid and ED and to external partners such as schools, lenders and guarantors.

### **10.3.2 Produce Data Extracts**

EA&R will provide data extracts on an as-needed basis to departments that need them. The Office of the Ombudsman is expected to be one of the main users of this function. Issues from student aid applicants or student loan borrowers will be accepted, compiled, maintained, and resolved by the Office of the Ombudsman. Research performed on these issues currently is pulled from various systems, groups, and BCAs. Access to accurate data across the enterprise will ensure that the Ombudsman Case researcher will have consistent data for the applicant/borrower, facilitating case resolution to the individual. The resolutions will be stored in order to maintain a precedent for each type of issue as well as to provide a view/read only interface for others within the enterprise to see stored issues and resolutions. Maintaining historical data will also allow the Office of the Ombudsman to perform problem trending, perform case trend analysis, and make recommendations for change.

### **10.3.3 Enterprise Performance Management**

The Enterprise Performance Management EBF will aid Federal Student Aid employees in making better-informed decisions by providing integrated operational performance data. The Enterprise Dashboard delivered to Federal Student Aid management will be the main channel for delivery of this information.

Dashboards serve as report cards that monitors key indicators of performance. They provide a concise and balanced review of performance indicators, and link performance with measures of operational effectiveness. The Enterprise Dashboard will provide a “high-level” picture of performance and creates a common language to communicate performance to stakeholders throughout the organization.

The Enterprise Dashboard will streamline information-gathering processes to reduce the time it would take individuals to sift through numerous reports to obtain relevant data. The Enterprise Dashboard will generate reports that tie high-level business performance to low-level metrics. This will allow Federal Student Aid users to drilldown to lower level detail to get a better understanding of why alerts are initiated based on thresholds. Alerts will be built into the dashboard to highlight significant changes in indicators of performance that exceed pre-defined thresholds. These thresholds will be based business requirements, including variances from the previous period to current.

### **10.3.4 Cross-System Analytics**

More often than not, in order for Federal Student Aid to answer one question today, two or more systems must be accessed to pull needed data into a database. After the data have been pulled from multiple sources, then analytics may be performed. In the target state, a tool to perform analytics will pull the already-integrated data from a single source (the EDW) for the staff member. This will reduce the time it takes in all cases and in some cases will make possible reporting that cannot be accomplished now.

### **10.3.5 Provide Customer Service**

The Provide Customer Service EBF provides training and problem resolution services and handles ad hoc information requests. Its clients consist of all consumers of BI information provided by Enterprise Analytics, including information requestors from government, media and the general public. Information requests may be of varying levels of formality, including FOIA requests. The status and handling of all customer service requests are recorded for compliance and performance management. Queries that are created to service requests are maintained in a library for audit and re-usability purposes.

Clients may request that a custom report or query be developed for their usage. Such requests may guide the development of additional or modified standard reports.

### **10.3.6 Support Other Department of Education Offices**

The Support Other Department of Education Offices EBF provides data as required by other offices with ED, including:

- Office of Inspector General
- Office of Postsecondary Education
- Office of Planning, Evaluation and Policy Development (Budget Service)

The information needs of ED may be satisfied by reports and/or data extracts.

## **10.4 Predictive Modeling**

The Predictive Modeling function grouping contains functions that utilize current and historic analytic data in order to model and measure the future state and behavior of Federal Student Aid, its partners and aid recipients. The models will attempt to identify and quantify patterns such as:

- The impact of policy changes upon operational metrics
- Relationships between economics, demographics and loan portfolio risks
- The impact of budget changes upon aid programs

The following subsections describe some of the intended uses of modeling capabilities

### **10.4.1 Recommend Policy Changes**

The Recommend Policy Changes function grouping will enable Federal Student Aid to become more proactive in monitoring the efficiency of the enterprise through enhanced research. Policy changes to improve efficiency may come from recommended legislation or process changes.

Analytic capabilities that aid in recommendations for policy changes will include what-if analyses. What-if analyses will allow Federal Student Aid to analyze correlations between past policy changes. Correlations can then assist Federal Student Aid to more accurately predict results of new policy changes.

#### **10.4.2 Acquisition & Planning Strategy**

Federal Student Aid's Acquisitions office will be responsible for ensuring the efficient and economic acquisition of products and services from Federal Student Aid while reducing cost and maintaining compliance with applicable laws, regulations, and Executive Orders.

The Acquisition & Planning Strategy EBF will be responsible for assuring that Federal Student Aid's acquisition practices are consistent with applicable procurement laws and regulations and ED's Chief Acquisition Officer's (CAO's) policies, practices, and directives. The planning strategy will be based on strategic market research and spend analysis. In order for these analyses to occur, operational and performance data for Federal Student Aid acquisitions must be maintained, analyzed, and reported.

#### **10.4.3 Provide Data to Support Default Management**

SAHM will provide default rates to EA&R to support default management. Default Management, in turn, will be supported by improved predictive analysis. The ability to forecast defaults based on historical trends and patterns will allow Federal Student Aid to manage default rates and develop a lifetime default rate. In order to facilitate forecasting data quality will be essential. Accurate forecasting will need data that is standardized and appropriately time stamped. The forecasts generated will be used by Federal Student Aid to take steps to reduce defaults.

#### **10.4.4 Provide Data to Support Risk Management**

The Risk Management Group (RMG) will utilize EA&R's analytic capabilities for driving strategy and plans for assessing, monitoring and addressing risks associated with Federal Student Aid, its programs, systems, contracts, and external partners. EA&R will also provide audit tracking and resolution for Federal Student Aid and the RMG.

#### **10.4.5 Budget Formulation & Credit Reform**

ED Budget Services will receive data from SAHM, O&D, and EA&R to support budget formulation and credit reform. SAHM will transmit gross committed volume for the FFEL program as well as an aggregate of all Direct Loans that have both an origination and a signed P-Note. O&D will transmit non-booked committed loans in the Committed Loan Volume Report. EA&R will use the provided information from the current portfolio to develop assumptions and perform what-if analysis to support budget formulation and credit reform.

# Section 11: Enterprise Access Management

## 11.1 Overview

The EAM BCA will enable Federal Student Aid to manage partner individual enrollments, partner access control and the non-repudiation of the partner's actions within individual enrollment and access control. The entities that partner with Federal Student Aid to administer Title IV Financial Aid to students include schools, school servicers, lenders, lender servicers, GAs, Private Collection Agencies (PCAs), state agencies, federal agencies, accrediting agencies, and auditors. Once partners have been admitted into the Federal Student Aid Title IV programs, the partners will need account identities created and maintained in order to provide proper access to Federal Student Aid on-line and batch services.

Once the partner identities are created, EAM will control the access to on-line and batch services through an enterprise resource. The enterprise resource will allow partner identities to travel from area to area of Federal Student Aid's web environment without having to use multiple identities or having to authenticate multiple times. The partner identity is recognized across multiple systems and the user's rights will be appropriate for their job function within the partner's organization.

Of course, providing all these capabilities requires that the partner's actions within EAM be tracked confidentially. EAM will capture transactional information related to partner identity creation, modification, access, and termination. This information will be available for both exception processing and performance audits.

The Individual Enrollment functions will be created by IPM with the support of EAM security architecture services. This support is necessary, for example, because many functions within Individual Enrollment such as the Enroll Individual function cannot be implemented without interacting with Access Control functions.

The remainder of this section provides narratives for the EBFs that are encompassed within the EAM BCA. The EAM portion of the target state function matrix, which lists the function groupings and EBFs that comprise the EAM BCA is provided in Table 11-1.



BCA	Function Grouping	Enterprise Business Function
EAM	Individual Enrollment	Verify Identity
		Enroll Individual
		Modify Individual Enrollment
	Access Control	Enterprise Role Services
		Access Control Services
		Authentication Services
	Audit Logging	Audit Logging Management
		Reporting and Forensics

**Table 11-1: Target State Function Matrix (EAM)**

## 11.2 Individual Enrollment

The Individual Enrollment function grouping reflects all functions and processes needed to properly establish and enroll partner users for Federal Student Aid services. Federal Student Aid services include all on-line system access within the TSV, and the batch services required to support these operations. Another component of the Individual Enrollment function grouping is the verification of key identities prior to account creation. The last component of the Individual Enrollment function grouping is the ability to make changes to the partner user profiles as their circumstances and responsibilities change over time. The sections below further explain the EBFs that comprise the Individual Enrollment function grouping.

### 11.2.1 Verify Identity

Verify Identity is a process necessary to create the Federal Student Aid user accounts and the initial accounts for partners. This initial account which will be known as the Access Administrator (formerly called the Destination Point Administrator [DPA]). The Access Administrator generally has wide-ranging privileges. During the initial application process for Title IV participation, information is collected for the individual who will become the Access Administrator. This individual will have the responsibility of managing any additional user accounts and privileges for their partner's organization. It is because of this great responsibility that this person's identity must be verified prior to being given Access Administrator privileges. The exact process for this verification process is yet to be determined, but it is recognized to be an important EBF.

The Federal Student Aid users and contractors requesting access to the TSV systems must also have their identities and their access privileges verified. This process of verification will likely involve individual system's SSOs and human resources during the user's original account creation process.

### 11.2.2 Enroll Individual

The Enroll Individual EBF reflects those processes necessary for a partner to have an Federal Student Aid account created for access to TSV systems. These functions are accessed by the partner users, the Access Administrator, or possibly both parties to accomplish the original enrollment functions for individuals. The major activities for enrolling individuals are:

- Receive user demographic information
- Receive user challenge/response information
- Determine user password
- Approve user request for account

- Receive user rights profile request
- Select user rights profile
- Request customer ID
- Request individual identity creation
- Notify individual(s) of account availability/changes

### **11.2.3 Modify Individual Enrollment**

The Modify Individual Enrollment EBF includes those processes necessary to make changes to user accounts after the account is created. This includes changing the access rights a user has to system resources and modifying the user's demographic information. In addition, the Access Administrator will be able to restrict the user's rights or even remove a user completely from the system. The major activities to modify an individual's enrollment are:

- Remove user rights profile
- Request deletion of individual identity
- Change user rights profile
- Change user demographic information

## **11.3 Access Control**

The Access Control function grouping reflects those functions required to maintain the authentication and authorization services provided by the security architecture. This covers the actual creation and maintenance of user identities within the TSV enterprise user directory, and the allocation of privileges or entitlements to these user accounts. These services are used not only by the IPM environment but also by all TSV systems that perform similar functions. It is by centralizing these services that Federal Student Aid is capable of providing Single Sign On capabilities and simplified Access Administrator capabilities.

### **11.3.1 Enterprise Role Services**

Enterprise Role Services will map TSV application roles to Enterprise Roles. The Enterprise Roles are logical groupings of system access rights that represent a job function to Federal Student Aid or to a partner. To avoid the uncontrolled growth of Enterprise Roles that would result in undue complexity and confusion, Federal Student Aid will guide the creation of new Enterprise Roles and the modification of the existing roles. This way, one application will not be able to independently change a role that could affect another application negatively. The Enterprise Role Services EBF will have the following sub functions:

- Provide workflow for role maintenance governance
- Map enterprise role to user rights process
- Manage role creation

### **11.3.2 Access Control Services**

Once Enterprise Roles are created, Federal Student Aid will use partner -specific user rights profiles to represent groupings of Enterprise Roles that are typically found for each partner type. These predefined user rights profiles will be able to be modified by the partners to create custom user rights profiles for a particular partner. These user rights profiles were devised to avoid requiring the partner to answer a number of questions each time they want to set up user access privileges for each partner user account.

In addition, this EBF provides the access control decisions required to support all TSV authorization requests. This function also provides the ability to lock out or unlock a user. This capability derives automatically from system responses to negative oversight decisions and failed logon attempts. The sub functions for this EBF are:

- Lock out user account
- Unlock user account
- Provide access control decisions
- Create partner-type predefined user rights profiles
- Modify partner-type predefined user rights profiles
- Create partner-entity custom user rights profiles
- Modify partner-entity custom user rights profiles

### **11.3.3 Authentication Services**

The Authentication Services EBF involves the functions necessary to identify and authenticate a user's identity. These functions serve all TSV systems including establishment of accounts, logging on users, disclosing acceptable use and other disclosure statements, and managing an enterprise session identifier for the users as they roam the TSV systems. The sub functions for this EBF are:

- Establish/Verify customer IDs
- Establish/Modify individual identity
- Provide authentication decisions
- Provide enterprise session identifier
- Manage system access disclosure notifications
- Change individual password
- Provide identity validation without passwords
- Provide session timeout services
- Pass authentication proof to applications

## **11.4 Audit Logging**

The Audit Logging function grouping reflects those functions required to provide non-repudiation capabilities to the Access Control function grouping, as well as many components of the Individual Enrollment function grouping that occur within the security architecture environment. Audit Logging capabilities one day will be centralized in an enterprise capability that correlates data and provides real-time threat management. For the near term, Audit Logging will remain a decentralized function within the TSV systems. As such, this function grouping is concerned with capturing events related to security architecture services provided through the EAM BCA.

### **11.4.1 Audit Logging Management**

The Audit Logging Management EBF is concerned with capturing EAM events into a log table maintained by security architecture services. The access and integrity of these log tables will be maintained through functions within the Access Control function grouping. Maintenance of these log tables will be the responsibility of the EAM security architecture team members. The sub functions for this EBF are:

- Capture authentication events
- Capture access control events
- Provide audit log integrity validation
- Archive EAM audit log information

#### **11.4.2 Reporting and Forensics**

The Reporting and Forensics EBF will provide access to the EAM logs via industry standard interface adapters. The schema of the log tables will be provided to the Integration team so that an enterprise reporting tool can extract data to provide exception and consolidated session reporting to users of the TSV systems. The sub functions for this EBF are:

- Provide access service to EAM audit logs.
- Notify EAM personnel of security exceptions.

## Section 12: Program Guidance and Information

### 12.1 Overview

The Program Guidance and Information (PG&I) BCA will enable Federal Student Aid to provide various forms of training and program guidance to students and entities that partner with Federal Student Aid. Federal Student Aid partners include schools, school servicers, lenders, lender servicers, GAs, Private Collection Agencies (PCAs), state agencies, federal agencies, and accrediting agencies. PG&I will provide a framework for the distribution of information to these entities to allow them to interact with and utilize Federal Student Aid systems and services.

The remainder of this section provides narratives for the EBFs that are encompassed within the PG&I BCA. Provided in Table 12-1 is the PG&I portion of the target state function matrix, which lists the function groupings and EBFs that comprise the PG&I BCA.

BCA	Function Grouping	Enterprise Business Function
Program Guidance and Information	Training for Partners	Develop and Deliver Online Computer Based Training
		Develop and Deliver In-person Training
		Develop and Deliver Interactive, Instructor-Led Web-Based Training
		Develop and Deliver Training to Address Changes in Services and Procedures
	Outreach for Partners	Provide Targeted School Assistance
		Provide Customer Care Center
		Provide Technical Assistance
		Support Experimental Sites
		Manage the Quality Assurance (QA) Program
		Manage Tools for Schools
	Create and Publish Materials	Maintain and Publish The Federal Student Aid Handbook
		Create and Publish Dear Partner/Colleague Letters and Electronic Announcements
		Publish Information for Schools
		Publish Information for Financial Partners
		Publish Information for Students and Counselors

**Table 12-1: Target State Function Matrix (PG&I)**

## **12.2 Training for Partners**

The Training for Partners function grouping reflects processes needed to train financial aid professionals for interaction with Federal Student Aid programs, systems and services. Training is facilitated through many different functions. There are three types of training available:

- Instructor led online training
- Self paced online training
- In person training

In addition, special training courses are used to help educate partners about changes to services and procedures.

### **12.2.1 Develop and Deliver Online Computer Based Training**

The Develop and Deliver Online Computer Based Training function covers the creation and delivery of self-paced, web-based learning modules on various Title IV topics.

### **12.2.2 Develop and Deliver In-Person Training**

The Develop and Deliver In-Person Training function covers the creation and delivery of one or two day in-person training sessions delivered nationally, as well as shorter conference presentations on Title IV topics.

### **12.2.3 Develop and Deliver Interactive, Instructor-Led Web-Based Training**

This function supports web-based training, another term for synchronous/asynchronous distance education. Federal Student Aid will use a web based conference/meeting tool to deliver training to small groups of financial aid professionals across the country. Training that is delivered is primarily aimed at supporting various electronic systems and computer programs at Federal Student Aid. The system will also be used to deliver training on Title IV policies and procedures. In addition to live training, Federal Student Aid will also offer pre-recorded training sessions accompanied with downloadable course guides.

### **12.2.4 Develop and Deliver Training to Address Changes in Services and Procedures**

This function develops and delivers training programs for financial aid professionals to address changes in service and procedure. For example, as new systems are implemented as a result of the Federal Student Aid integration effort, training programs will be created for the community to address these changes. Also, training sessions will be created to address the changes in services and procedures brought about, for example, by legislation changes.

## **12.3 Outreach for Partners**

The Outreach for Partners function grouping encompasses functions, which focus on providing outreach through meetings, presentations, and conferences. This involves soliciting partners for topics they would like to discuss in an open forum, holding prevention conferences and other various initiatives. Topics generally focus on new programs and impacts on partners. In addition, portals and call centers will exist to provide information on procedures such as filling out applications.

### **12.3.1 Provide Targeted School Assistance**

The Provide Targeted School Assistance function encompasses the capabilities for Federal Student Aid staff to support the Special Initiative Services (SIS) program. Federal Student Aid will provide services to aid Historically Black Colleges and Universities (HBCU), Hispanic Serving Institutions (HSI), and Tribally

Controlled Colleges and Universities. These services will include managing Federal Student Aid's electronic processing systems and providing technical assistance training under the SIS program.

### **12.3.2 Provide Customer Care Center**

This function encompasses the customer care center. It will assist financial aid professionals with Federal Student Aid programs and the IFAP web page. It will also answer technical questions about Title IV regulations, procedures, and requirements. Financial aid professionals will be able to contact the customer care center through fax, email, or a toll-free number.

### **12.3.3 Provide Technical Assistance**

This function encompasses the processes needed to review internal systems to determine the Title IV program needs for selected institutions. The technical assistance group will work closely with colleges and universities under Executive Order. They also will assist those schools with improving their Title IV program integrity and accountability. This is completed through institutional assessment and technical assistance site visits.

### **12.3.4 Support Experimental Sites**

This function encompasses the Experimental Sites initiative that allows schools to participate in experiments to test different ways to meet Title IV program requirements (e.g., disbursements, loan counseling, over-award tolerance). Federal Student Aid then can incorporate these schools experiences in regulatory and legislative proposals that will enhance program integrity and reduce administrative burden. Federal Student Aid will provide Experimental Sites participants with online annual report templates that capture the results of the experiments and any corrective actions taken and provides specific information relating to the performance measures or alternatives used in each experiment.

### **12.3.5 Manage the Quality Assurance (QA) Program**

This function designs, supports, monitors and refines the QA program established in section 487A of the HEA, as amended. It includes the development and delivery of materials, guidance, tools, and training to schools in support of the QA program.

### **12.3.6 Manage Tools for Schools**

This function encompasses the resources necessary for Federal Student Aid to manage and provide two tools to schools, the Federal Student Aid Assessments and ISIR Analysis Tool. These tools will help schools with QA Program requirements, but will also be available to all Title IV institutions. The 22 Federal Student Aid Assessments modules are designed to help schools assess compliance and correct weaknesses. The modules contain hyperlinks to applicable laws and regulations. The ISIR Analysis Tool is designed for any school that wants to review and analyze its ISIR data and better understand certain characteristics about its Title IV applicant population and verification process (either Federally selected or defined by the school).

## **12.4 Create and Publish Materials**

The Create and Publish Materials function grouping encompasses the process utilized by the PG&I BCA to create and publish materials about new and existing Federal Student Aid services and procedures.

#### **12.4.1 Maintain and Publish The Federal Student Aid Handbook**

This function encompasses the maintenance and publishing of *The Federal Student Aid Handbook*. Each year, in response to changes to the FAFSA and other Federal Student Aid policies and procedures, the handbook is updated and published on the web. A print version is later mailed to all schools participating in the Federal Student Aid programs. The handbook is intended for FAAs and counselors who help students begin the student aid process—filing the FAFSA, verifying information, and making corrections and other changes to the information reported on the FAFSA. *The Federal Student Aid Handbook* covers the following topics:

- Student Eligibility
- School Eligibility and Operations
- Calculating Awards & Packaging
- Processing Aid & Managing FSA Funds
- Overawards, Overpayments, & Withdrawal Calculations
- Campus-Based Programs

#### **12.4.2 Create and Publish Dear Partner/Colleague Letters and Electronic Announcements**

The Create and Publish Dear Partner/Colleague Letters and Electronic Announcements function encompasses the process that Federal Student Aid uses to alert and inform partners about changes in services, systems, or policies. To accomplish this, announcements will be drafted and distributed to schools and financial partners as needed. Some topics that Dear Partner/Colleague Letters cover include changes to the Campus Based program, the Pell Grant Program and training announcements.

As part of the publishing process, all Dear Partner/Colleague Letters and other electronic announcements will be stored in the IFAP electronic library. IFAP is a system that archives publications, and serves as Federal Student Aid's primary means of communicating these documents to the partner community. IFAP provides schools and financial partners with electronic access to the many Federal Student Aid publications that guide the administration of the Title IV Student Financial Assistance programs. Some examples of documents archived in the IFAP system include:

- Tools for Schools
- Letters & Bulletins
- On-Line References
- Publications
- Law & Regulations
- Worksheets, Schedules, & Tables

#### **12.4.3 Publish Information for Schools**

The Publish Information for Schools function supports the distribution of information to Schools who participate in the Title IV aid program. To accomplish this, In addition to Dear Partner/Colleague Letters, Federal Student Aid will have a number of regular publications to aid schools in the administration of Title IV aid.

- Audit Guidance: Provides schools with guidance in preparing and arranging for regular independent audits that include the operation of the Federal Student Aid programs.



- *The Blue Book*: Intended to provide guidance to those offices and individuals responsible for managing, keeping records of, accounting for, and reporting on the use of federal funds at institutions that participate in the Title IV, Federal Student Aid programs.
- *The Cohort Default Rate Guide*: A comprehensive publication that presents information on CDRs for schools participating in the FFEL Program and the Direct Loan Program.
- Direct Loan Bulletins: Used to inform partners on changes to the Direct Loan procedures.

To further facilitate the distribution of information and publications for schools, Federal Student Aid will provide the Schools Portal. The Schools Portal provides a gateway to all of the Federal Student Aid sites a school uses, along with a calendar of events and Federal Student Aid News headlines. Common links for schools include:

- IFAP
- Conferences
- Central Processing System (CPS)
- School, Lender and Program Data
- Software and Manuals
- Training
- Video Conferences
- Common Origination and Disbursement (COD)
- NSLDS for FAAs

#### **12.4.4 Publish Information for Financial Partners**

The Publish information for Financial Partners function supports the distribution of information to Financial Aid Partners who participate in the Title IV aid program. To accomplish this, Federal Student Aid will provide and supports a Financial Partners Portal to publish information to partners and provide a gateway to the systems used by the Financial Partners community. In the portal, partners are able to conduct business using one of Federal Student Aids various online system processes by linking to FMS, the Financial Partners Data Mart, or NSLDS. Guarantors can access PEPS using Federal Student Aid's Citrex Metaframe Solution Package. In addition, the portal offers answers to day-to-day business questions and makes access to key personnel easier through the use of the following tools:

- Financial Partners Community: A member's resource which provides access to agency, association and financial institution information.
- Financial Partners Contact Resources: Lists Federal Student Aid management staff and regional locations.
- Financial Partners Default Prevention Clearinghouse: A forum for the exchange of information and best practices for default prevention.
- Financial Partners Publications Library: A collection of reports, reference materials and regulatory and legal information target specifically at the Financial Partner community.

#### **12.4.5 Publish Information for Students and Counselors**

The Publish information for Students and Counselors function supports the distribution of information to Students and Counselors who participate in the Title IV aid program. To accomplish this, Federal Student Aid will publish and updates a number of documents each year to help prepare and support students and counselors through out the student aid life cycle.

- *Completing the FAFSA*: An introductory publication for students. It provides instructions on how to complete the online or paper version of the FAFSA.
- *The Student Guide*: The Student Guide is a comprehensive resource on student financial aid. Grants, loans, and work-study are the three major forms of aid available through the Department's Federal Student Aid office. Updated each award year, The Student Guide tells students about the programs and how to apply for them.
- The EFC Formula
- The Student Aid Audio Guide

To further facilitate the distribution of information and publications for students, Federal Student Aid will offer the Students Portal which is designed to assist the Federal Student Aid office in its mission to ensure that students and their families are aware of, have access to, and apply for postsecondary financial assistance. The site is divided into sections, the main Federal Student Aid site, [www.studentaid.ed.gov](http://www.studentaid.ed.gov), and the “MyFSA” site, which permits students to register and create an account with “MyFSA”. On the site, students can search for information about colleges and/or careers related to areas of academic interest. On the MyFSA site, students can perform customized scholarship/grant searches, college savings calculations, cost of attendance calculations and other tailored queries based on criteria and information they provide. The portal also will provide links to application and student loan management forms and other student publications.

## Section 13: Shared Services

### 13.1 Overview

Shared Services are centralized, reusable modules available for use by appropriate internal or external customers. Shared Services will accept standard inputs and return standard outputs. Provided below in Table 13-1 is the Shared Service portion of the target state function matrix, which lists the EBFs that are shared amongst multiple BCAs.

BCA	Function Grouping	BCAs That Use Service
Shared Services	Financial Aid History Retrieval Service	Application
		O&D
		SAHM
		CSB
	Manage Promissory Note Service	Application
		O&D
		CSB
		Application
	Run Credit Check Service	CSB
		Advance
		Application
		O&D
	Person Record Management Service	SAHM
		IPM
		Campus Based
		CSB
		Application
		O&D
		SAHM
		IPM
	Organization Record Management Service	Campus Based
		FM
		CSB
		SAHM
	Person Registration Service	SAHM
		SAHM

Table 13-1: Target State Function Matrix (Shared Services)

### 13.2 Financial Aid History Retrieval Service

This shared service allows other Federal Student Aid systems and authorized school and trading partner

systems to retrieve “integrated views” of financial aid history, centered upon a Person (often called the “integrated student view”) or an Organization (often called the “integrated school view”). Typical uses of this service include: provide content to Federal Student Aid and trading partner web sites and extract data for analysis purposes. The integrated views contain all information known to SAHM that describes Federal Student Aid’s relationship with the Person or Organization, subject to limitations placed by the client system (what it wants to see) and by Federal Student Aid’s information privacy policy as enforced by SAHM and Federal Student Aid’s Security Architecture (what it is allowed it to see).

For a Person, this service will supply, at minimum:

- Identification information
- Address and contact information
- All loans and grants associated with the Person in any capacity (recipient, borrower, endorser)
- History of interactions with Federal Student Aid (FAFSA submissions, corrections, renewals)
- Relationships to other people

For an Organization, this service will supply, at minimum:

- Identification information
- Address, contact and associated Person information
- Relationships to other Organizations
- Title IV program eligibility and participation
- Organization-level financial transactions
- Selected loans and grants associated with this Organization acting in any role (school, lender, guarantor)
- Students enrolled in a school

### **13.3 Manage Promissory Note Service**

Application, O&D and CSB share the Manage Promissory Notes Service. The Manage Promissory Notes Shared Service will be focused on the process of collecting, signing, and distributing P-Note information. P-Notes will be submitted by borrowers, parents, or endorser. The P-Notes may be submitted online via the electronic Master Promissory Note (eMPN) or by paper. P-Notes may also be submitted with the FAFSA as a proposed addition to the application. P-Notes are required for loan consolidation within CSB and PLUS loan borrowers within O&D.

### **13.4 Run Credit Check Service**

The Run Credit Check Service will provide access to a single, centralized service that packages applications and/or requests to the credit agency to perform a credit check. This credit check procedure will be run for APP (to determine financial eligibility), CSB to consolidate a loan, O&D for PLUS Loan borrowers, and Trading Partners.

### **13.5 Person Record Management Service**

SAHM will manage Person master data that, along with Organization and Program data, form the three key dimensions along which SAHM will organize all financial aid history data. The Person master data contains identification, demographic and other descriptive information for all applicants, recipients, borrowers, parents and endorsers that have a relationship with Federal Student Aid. The Person Record Management Service provides a single person data management interface to other Federal Student Aid systems and to authorized external trading partners and schools. Other Federal Student Aid systems will use the Person Record Management service to synchronize Person data in their own database with the enterprise “master” copy that is published to SAHM.

The Person Record Management Service provides the following functions:

- Manage Person identity information including the ability to create a new Person. This functionality utilizes and extends a Person registration service that will be implemented by ADvance. Both SAHM and ADvance will utilize the SSIM algorithm to consistently identify unique individuals, based upon full name, social security number and date of birth. As part of the process of creating a new Person, SAHM will request ADvance to register the new person identifier, assign a unique Enterprise Person Identifier and perform appropriate identity proofing for each new person. The service will maintain a crosswalk of secondary identifiers, including, but not limited to: CSB participant ID, NSLDS person ID, ADvance Customer ID and driver’s license number.
- Manage Person descriptive attributes including address and contact information, eligibility factors including Expected Family Contribution and agency data matching results and other information originating mostly from the FAFSA. The service retains prior (historic) values for all attributes necessary to re-construct a Person record at a point in time.
- Manage relationships between Person records to reflect family and household
- Retrieve Person records based upon a flexible set of selection criteria, including, but not limited to: Enterprise Person Identifier, natural identifiers (name, SSN, DOB), secondary identifiers and other attributes. The service returns all matching records to the invoking application.

Master Data Synchronization occurs between client application databases and SAHM. This function will allow an authorized application to publish new and updated Person records to the SAHM database. It also allows interested applications to subscribe to and receive notifications of new and updated person records. SAHM is a broker between publisher and subscriber.

### **13.6 Organization Record Management Service**

SAHM manages Organization master data that, along with Person and Program data, form the three key dimensions along which SAHM will organize all financial aid history data. The Organization master data contains identification, demographic and other descriptive information for all schools, lenders, guarantors, government agencies, services and all other types of organizations that have a relationship with Federal Student Aid. The Organization Record Management Service provides a single organization data management interface to other Federal Student Aid systems and to authorized external trading partners and schools. Other Federal Student Aid systems use the Organization Record Management service to synchronize Organization data in their own database with the enterprise “master” copy that is published to SAHM.

The Organization Record Management Service provides the following functions:

- Manage Organization identity information including the ability to create a new Organization. IPM will create new Organization records, assign RIDs to Organizations and publish its Organization information to SAHM. The service maintains a crosswalk of secondary identifiers, including, but not limited to DUNS and OPE IDs.
- Manage Organization descriptive attributes including address and contact information, Title IV program eligibility and participation. The service retains prior (historic) values for all attributes necessary to re-construct an Organization record at a point in time.
- Manage relationships between Organization records, such as ownership, hierarchy and supply chain.
- Manage a collection of People associated with Organizations, such as school officers, contacts and other staff members.
- Retrieve Organization records based upon a flexible set of selection criteria, including, but not limited to: Routing ID, secondary identifiers and other attributes. The service returns all matching records to the requesting application.

Master Data Synchronization occurs between client application databases and SAHM. This function allows an authorized application to publish new and updated Organization records to the SAHM database. It also allows interested applications to subscribe to received notifications of new and updated person records. SAHM acts as a broker between publisher and subscriber.

### **13.7 Person Registration Service**

The Person Registration Service will be used by SAHM and Advance when creating a new person record. The Person Registration Service will be responsible for registration of basic person identifiers and assignment of an Enterprise Person Identifier. The service will enforce uniqueness of identifiers using the Standard Student Identification Method (SSIM) algorithm and a database of known identities. In addition, Advance will handle data matching with the SSA to maintain the database of known identities. The service will also make updates and changes to identifiers and will implement appropriate process to support situations such as name changes and SSN or data of birth corrections. The data may be archived after the person ceases to have an active business relationship with FSA, and will be retained by the Information Framework for analytics purposes.

# Appendix A: Acronyms and Definitions

The following is a listing of acronyms compiled during the development of this deliverable:

Acronym	Definition
ACA	Administrative Cost Allowance
ACD	Anticipated Completion Date
ADI	Application Desktop Integration
AMF	Account Maintenance Fee
AP	Accounts Payable
APP	Application Business Capability Area
AR	Accounts Receivable
BCA	Business Capability Area
BI	Business Intelligence
BTIG	Business and Technology Integration Group
CAIVRS	Credit Alert Interactive Voice Response System
CAO	Chief Acquisition Officer
CB	Campus Based Business Capability Area
CDA	Common Data Architecture
CDR	Cohort Default Rate
CFL	Current Funding Level
CFO	Chief Financial Officer
COD	Common Origination and Disbursement System
CPS	Central Processing System
CR	Change Request
CSB	Common Services for Borrowers Business Capability Area
CVR	Cross-Validation Rules
DHS	Department of Homeland Security
DPA	Destination Point Administrator
DRAP	Default Reduction Assistance Program
DUNS number	Data Universal Numbering System

Acronym	Definition
EA&R	Enterprise Analytics and Research Business Capability Area
EBF	Enterprise Business Function
eCB	eCampus Based
eCDR	Electronic Cohort Default Rate Report
ED	U.S. Department of Education
ED PIN	Education Personal Identification Number
EFC	Expected Family Contribution
EFT	Electronic Funds Transfer
eMPN	Electronic Master Promissory Note
ETL	Extract, Transform and Load
FAA	Financial Aid Administrator
FAFSA	Free Application for Federal Student Aid
FAH	Financial Aid History
FFEL	Federal Family Education Loan
FMSS	Financial Management System Software (ED)
FOW	FAFSA on the Web
FPDS	Federal Procurement Data System
FSC	Federal School Code
FSEOG	Federal Supplemental Educational Opportunity Grant
FWS	Federal Work Study
GA	Guaranty Agency
GAFR	Guaranty Agency Financial Report
GAPS	Grants Administrative and Payment System
GL	General Ledger
GOALS	Government Online Accounting Link System
GSL	Guaranteed Student Loan
HBCU	Historically Black Colleges and Universities
HSI	Hispanic Serving Institutions
HUD	Department of Housing and Urban Development
ICR	Income Contingent Repayment
IFAP	Information for Financial Aid Professionals
IPEDS	Integrated Post Secondary Education Data System
IPM	Integrated Partner Management
IRS	Internal Revenue Service
ISIR	Institutional Student Information Record
LEAP	Leveraging Education Assistance Partnership
LID	Lender ID
LPIF	Loan Processing Insurance Fee



Acronym	Definition
O&D	Origination and Disbursement Business Capability Area
OIG	Office of Inspector General
OMB	Office of Management and Budget
OPEID	Office of Postsecondary Education Identifier
PBC	Prepared by Client
PCA	Private Collection Agency
PG&I	Program Guidance and Information
PLUS	Parent Loans for Undergraduate Students
PM	Participation Management
PPRM	Partner Payment Reporting and Management
QA	Quality Assurance
RID	Routing ID
RMG	Risk Management Group
SAHM	Student Aid History Management Business Capability Area
SAR	Student Aid Report
SEOG	Supplemental Educational Opportunity Grant
SID	System ID
SIS	Special Initiative Services
SLEAP	Special Leveraging Education Assistance Partnership Program
SSA	Social Security Administration
SSIM	Standard Student Identification Method
SSN	Social Security Number
SSO	Single Sign-on
TC	Teacher Cancellation
TIN	Tax Identification Number
TOP	Treasury Offset Program
Treasury	U.S. Department of Treasury
TSV	Target State Vision
VFA	Voluntary Flexible Agreement

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